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# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

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## HEARINGS

BEFORE THE

## SELECT COMMITTEE

## ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

EIGHTY-FIFTH CONGRESS

SECOND SESSION

PURSUANT TO SENATE RESOLUTIONS 74 AND 221, 85TH CONGRESS

---

MAY 27, JUNE 4, 5, 6, 9, 25, 26, AND 27, 1958

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### PART 31

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Printed for the use of the Select Committee on Improper Activities in the  
Labor or Management Field





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UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1958

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR  
OR MANAGEMENT FIELD

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RUTH YOUNG WATT, *Chief Clerk*

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\* May be found in the files of the select committee.



# INVESTIGATIONS OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

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TUESDAY, MAY 27, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Walter R. May, investigator; George H. Martin, investigator; John Cye Cheasty, investigator; Ruth Young Watt, chief clerk.

(At the start of the session, the following members are present: Senators McClellan and Goldwater.)

The CHAIRMAN. The committee will be in order. Mr. Ernest Mark High? Mr. High was expected to be here yesterday. Apparently he has not put in his appearance. This is a matter the committee will have to give prompt attention to. There is some indication, a rather strong indication, that he is not trying to cooperate.

Mr. Counsel, prepare the necessary papers for contempt and have them ready to submit to the committee as early as possible.

For the purpose of the record, with respect to Mr. High, the subpoena and the telegrams, and the correspondence, in connection with it, may be placed in the record as exhibits at this point. They will be numbered separately. This is with regard to the matter of Mr. High. They will be made exhibits 1, 2, 3, 4, 5, 6, and 7 in order of their dates, beginning with the subpoena and the return thereon.

(The documents referred to will be marked "Exhibits 1, 2, 3, 4, 5, 6, and 7" for reference, and will be found in the appendix on pp. 12135-12139.)



# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

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WEDNESDAY, JUNE 4, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 11:10 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in room 457 of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Alderman, assistant chief counsel; Paul J. Tierney, assistant counsel; Robert E. Dunne, assistant counsel; John J. McGovern, assistant counsel; Charles E. Wolfe, accountant, GAO; Francis J. Ward, accountant, GAO; Karl Deibel, accountant, GAO; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan and Ervin.)

The CHAIRMAN. We have just concluded some executive hearings and the Chair would like to make a brief statement, an opening statement regarding the hearings we are now beginning.

The committee will hear witnesses today on the operations of Mr. Maxwell Raddock, owner of the World Wide Press, a large New York printing plant, and publisher of the Trade Union Courier.

Witnesses will be called to testify as to financial interests and investments in the World Wide Press by labor organizations and certain labor officials and the unorthodox manner in which bonds of the company were issued and handled.

The committee will also inquire into the propriety of labor officials' having financial interests in Maxwell Raddock's company at the same time that they invested considerable sums of their union's funds in the plant that prints the Trade Union Courier and in subscriptions to that paper.

The manner in which advertisements were solicited by the Trade Union Courier has been the subject of investigation by the committee staff. The committee is particularly interested in whether solicitors employed by the Trade Union Courier represented it as the organ of the AFL-CIO as well as making other false representations.

Preliminary investigation by the staff has disclosed certain financial transactions of the United Brotherhood of Carpenters which require explanation.

One of these transactions involves very large expenditures in the publication of a book entitled, "The Portrait of an American Labor Leader, William L. Hutcheson."

Maurice Hutcheson, who is now president of the United Brotherhood of Carpenters, and Mr. Raddock will be questioned about this matter.

The Chair may say that during the existence of this committee we have had much information and a great deal of testimony regarding the misuse of union funds, regarding personal financial gain and benefit and profit and expenditure of such funds by union officials, and we are still pursuing that aspect of labor-management relations.

We have also had considerable evidence of collusion between management and union officials where they both profit at the expense of the men who work and pay the dues.

In this particular instance, there is indication that the union membership have again been imposed upon by transactions that have occurred that we will look into as the evidence unfolds before us.

All right, Mr. Kennedy, call your first witness.

Mr. KENNEDY. The first witnesses are Mr. Robert Dunne, and Mr. Charles Wolfe of the staff of the committee.

The CHAIRMAN. Gentlemen, will you be sworn.

Each of you do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DUNNE. I do.

Mr. WOLFE. I do.

#### TESTIMONY OF ROBERT E. DUNNE AND CHARLES E. WOLFE

The CHAIRMAN. Be seated. Beginning on my left, state your name, and your place of residence, and your business or occupation.

Mr. DUNNE. I am Robert Emmet Dunne, member of the staff of the committee, on loan from the Permanent Investigations Subcommittee, and I live in Arlington, Va.

The CHAIRMAN. And the next one.

Mr. WOLFE. Charles E. Wolfe, an investigator for the General Accounting Office, assigned to this committee. I live at 67th Avenue, in Flushing, N. Y.

The CHAIRMAN. Are you a certified public accountant?

Mr. WOLFE. No, sir; but I am an accountant.

The CHAIRMAN. How long have you been employed by the GAO?

Mr. WOLFE. 23 years.

The CHAIRMAN. You have been in the accounting service of the GAO, or Government service that long?

Mr. WOLFE. Yes, sir.

The CHAIRMAN. Thank you very much.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Chairman, I thought it would be helpful to the committee to know a little bit of the background of the organizations we will be discussing over the next few days, and particularly the World Wide Press, and the Trade Union Courier.

Now, first, as far as the World Wire Press is concerned, will you, Mr. Dunne, describe what the World Wide Press is, and who owns the World Wide Press.

Mr. DUNNE. The World Wide is a New York publication that was formed in 1950. At that time Max Raddock had been publishing the Trade Union Courier, and had operated a small printshop in New York called Feature Press.

The CHAIRMAN. What is that?

Mr. DUNNE. Feature Press. The plant was inadequate for the type of work that he needed to do, and he formed this corporation for World Wide Press for the purpose of building a large printing plant in Yonkers, N. Y.

Mr. KENNEDY. Now, as I understand it, the World Wide Press is a printing plant, in Yonkers, N. Y.?

Mr. DUNNE. That is right.

Mr. KENNEDY. It has been in existence from about 1950?

Mr. DUNNE. That is right.

Mr. KENNEDY. Prior to that there was a plant called the Feature Press?

Mr. DUNNE. That was in Manhattan.

Mr. KENNEDY. And now World Wide Press is owned by Max Raddock; is that correct?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Completely?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Complete ownership by Maxwell Raddock?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. The Trade Union Courier is a newspaper; is that right?

Mr. DUNNE. That is correct.

Mr. KENNEDY. How often is that produced?

Mr. DUNNE. Produced every 2 weeks.

Mr. KENNEDY. And that is printed at the World Wide Press?

Mr. DUNNE. That is right.

Mr. KENNEDY. But there are a number of other items that are printed in the World Wide Press?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now, Mr. Chairman, we will go into some of these other things that are printed in World Wide Press, but that sets the background on it.

Now, how was the World Wide Press financed, starting in 1950?

Mr. DUNNE. Upon the incorporation of the new organization, a bond issue was authorized by the board of directors in the amount of \$250,000. This was a debenture bond issue, and was exempted by the Securities and Exchange Commission.

Through March of 1951, Max Raddock succeeded in selling \$75,000 worth of these debenture bonds to various people and labor organizations. At that time, he contracted to buy a plot of land with a building on it at 763 Sawmill River Road at Yonkers, N. Y. The purchase price of the building was \$137,372.15. From the proceeds of the bonds he had sold, he paid \$67,372.

Mr. KENNEDY. The purchase price was how much again?

Mr. DUNNE. \$137,372.15.

Mr. KENNEDY. He raised \$67,372.15 from bonds?

Mr. DUNNE. Yes, sir, and the remainder of the purchase price was \$70,000, and it was taken up in a first mortgage given to the welfare

funds of local 640 and local 342. Those are Meat Cutter locals in New York. Each took a \$35,000 interest in a joint first mortgage.

Mr. KENNEDY. Now, that is the Meat Cutters Union of Max and Louis Block; is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Those are the unions about whom we have had some testimony over the last 10 days, or approximately 10 days.

Could you just tell us briefly, and it has already been put in the record, as to what happened to those mortgages, and just trace those for us.

Mr. DUNNE. Those mortgages were held by the welfare departments of these two local unions. In 1956, possible because of pressure from congressional investigations, there was a House committee investigation of welfare funds at that time which was looking into the Meat Cutter's Union in New York—the Douglas committee was then functioning—each of these assets of these two welfare funds was sold by the fund to the local unions.

Mr. KENNEDY. At that time the World Wide Press was in default as to the payments?

Mr. DUNNE. These were in default on the mortgage to each of the organizations.

Mr. KENNEDY. And had been in default for a number of years?

Mr. DUNNE. Both in principal and interest.

Mr. KENNEDY. And so the welfare funds got rid of the mortgages and sold them to the unions themselves?

Mr. DUNNE. That is right.

Mr. KENNEDY. Locals No. 342 and 640 of the Meat Cutters?

Mr. DUNNE. That is right.

Mr. KENNEDY. In order to finance that, these Meat Cutter locals had to borrow from a bank?

Mr. DUNNE. That is right.

Mr. KENNEDY. Is that right?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. That was all arranged through Max and Louis Block?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now, those mortgages are owned by locals No. 342 and 640?

Mr. DUNNE. By the locals themselves; yes, sir.

Mr. KENNEDY. And the president of those locals is Max Block; isn't that right?

Mr. DUNNE. Yes, sir, I believe so.

Mr. KENNEDY. All right.

Mr. DUNNE. Now, the operation got started in 1950, upon the closing of the building, and for the remainder of that year most of the activity was concerned with equipping the plant.

The old equipment from Feature Press was transferred and considerable new printing equipment was purchased, and the principal item being a Goss rotary newspaper press which cost about \$120,000.

These items were financed through the continued sale of these debenture bonds by Max Radlock. Throughout the remainder of 1951, and in 1952, he sold an additional \$138,000 worth of bonds, which completed the sale of the bond issue to \$213,000. That was the total amount of the bond issue ever sold.



Mr. KENNEDY. Now we are going back into the bonds, who received them, and who purchased them. But prior to that, I would like to find out if there was any other mortgage or any other financing that the World Wide Press received.

Mr. DUNNE. There was a second mortgage placed on the property for \$35,000, which was given by Local 284 of the Laundry Workers' International, a Jersey City local.

Mr. KENNEDY. That is local 284?

Mr. DUNNE. The welfare fund of local 284.

Mr. KENNEDY. And that was for \$35,000?

Mr. DUNNE. Yes, sir. That welfare fund was going out of business on September 1, 1952, and they had still remaining in their assets \$35,000, which they put into this second mortgage on the property.

Mr. KENNEDY. Just prior to the time it went out of business?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. And now you say the whole welfare fund local 284 went out of business?

Mr. DUNNE. That is right. The welfare fund was incorporated into a new international welfare fund which had been set up, and which it was required to join. However, none of the assets of the local welfare fund were required to be transferred into the new international welfare fund. Actually—

Mr. KENNEDY. Let us see if we can understand. They took \$35,000 from Local 284 of the Laundry Workers and just prior to the time their welfare fund was going out of existence and invested it as a second mortgage in World Wide Press; is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Then the welfare fund went out of existence?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Now, has the \$35,000 ever been repaid?

Mr. DUNNE. No, sir, it hasn't, and no interest or principal has ever been paid.

Mr. KENNEDY. Who does the \$35,000 now belong to?

Mr. DUNNE. That is questionable. Actually, there is more than \$35,000 involved, and in addition to the mortgage the welfare fund had in the previous year invested, as far as we have been able to ascertain, everything that they had left in this welfare fund knowing it was going to be transferred imminently to the international, and the total of \$85,000 or all of the known assets of that welfare fund were put into this operation; \$50,000 in these debenture bonds were purchased by the welfare fund, and \$35,000 by this second mortgage.

Mr. KENNEDY. And then the welfare fund went out of existence; is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Did they transfer those assets to the books of local 284, and have you examined the books of local 284?

Mr. DUNNE. We have examined the books and records and have been able to find no evidence whatsoever that it was ever listed as an asset of local 284, or ever listed in its financial statement, or ever listed in the minutes of the meetings of the executive board or general membership meetings of that local.

Mr. KENNEDY. So the membership, as far as their records are concerned, were never aware of the fact that they had assets amounting to \$85,000?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now, during this period of time had Mr. Raddock or World Wide Press made any payments on the second mortgage or on the bonds amounting to some \$50,000?

Mr. DUNNE. The bonds of \$50,000 were purchased during 1951, and some small interest payments were made through June of 1952, and the \$35,000 second mortgage was given in September of 1952, or August of 1952, but from June of 1952 on, no payments whatsoever in interest on the bonds or in interest or repayment of principal on the mortgage have been made whatsoever.

Mr. KENNEDY. Not only have no payments been made, but they are in default since 1952?

Mr. DUNNE. They are in default on the bonds and on the mortgage, and with accrued interest, that amounts to slightly over \$100,000 today.

Mr. KENNEDY. It would appear from the records that this \$100,000 belongs to no one, as far as the individual members of local 284 knowing about it.

Mr. DUNNE. That is right. Actually in law there is some question as to who it would belong to. The money was not union money. It was with the welfare fund, and the welfare fund is now defunct.

Mr. KENNEDY. But nobody was ever informed about it, from 1952 up to the present time?

Mr. DUNNE. No, sir, and the nature of the Local 284 Laundry Worker membership, being laundry workers, it is a transient type of industry and it would be most difficult to say if any or very few of the members that participated in that fund and that helped build up that fund in the late forties and early fifties are still members of the union.

Mr. KENNEDY. That is \$35,000 on the second mortgage, and \$50,000 worth of bonds; is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now, local 284 is located where?

Mr. DUNNE. In Jersey City, N. J.

Mr. KENNEDY. Do you know how many members it has approximately?

Mr. DUNNE. 5,500 members.

The CHAIRMAN. Who now holds the second mortgage and the bonds? They belong to the membership of local 284, do they not?

Mr. DUNNE. The bonds are listed in the name of local 284, although the money came from local 284 welfare fund.

The CHAIRMAN. Local 284, as a union, took over \$50,000 worth of bonds bought by welfare money, and now they are held as assets, as union funds?

Mr. DUNNE. No. They are not held as assets at all. The bonds were made out to local 284, but they have never been listed, as far as we can ascertain, as an asset of the local union.

The CHAIRMAN. They are not carried on their books?

Mr. DUNNE. That is right, sir.

The CHAIRMAN. So they just evaporated, but they still exist?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Who owns them?

Mr. DUNNE. I don't know. The mortgage is payable—

The CHAIRMAN. The records of local 284 do not show that local 284 owns them?

Mr. DUNNE. That is right.

The CHAIRMAN. And they never have been liquidated and divided among the people who were the beneficiaries of the welfare fund?

Mr. DUNNE. No, they haven't.

The CHAIRMAN. And in whose possession are the bonds now?

Mr. DUNNE. The bonds are in the possession of the officers of local 284.

The CHAIRMAN. In possession of the officers. Have there been any proceeds from the bonds, or any interest paid?

Mr. DUNNE. There were 3 payments on interest on the bonds, in 1951 and in June of 1952, and we have carefully checked the books and records of the local for that period of time and none of these 3 payments were listed as income to the local union. We don't know what happened to those checks.

The CHAIRMAN. What did the interest for those three payments aggregate?

Mr. DUNNE. \$1,365.03.

The CHAIRMAN. There is no record of that money going even into the union funds?

Mr. DUNNE. That is right.

The CHAIRMAN. And of course the welfare funds are now defunct?

Mr. DUNNE. There is no record of the welfare fund.

The CHAIRMAN. And these bonds, although made to local 384, did you say?

Mr. DUNNE. 284.

The CHAIRMAN. They are held by the officers of the union?

Mr. DUNNE. They are in the physical possession of the principal officer of the union; yes.

The CHAIRMAN. The principal officer. Who is that?

Mr. DUNNE. Winfield Chasmar.

The CHAIRMAN. They are in his possession?

Mr. DUNNE. They are in his possession at the union offices, as far as we know.

The CHAIRMAN. But there is no accounting for the interest?

Mr. DUNNE. No, sir.

The CHAIRMAN. And the bonds are not carried as assets on the books?

Mr. DUNNE. No, sir.

The CHAIRMAN. When was the last payment of interest?

Mr. DUNNE. June 30, 1952.

The CHAIRMAN. That is 6 years now, and for 5 years and 11 months there has been no interest paid?

Mr. DUNNE. That is right.

Mr. KENNEDY. Who is the attorney, that is, for local 284 who has been handling this matter?

Mr. DUNNE. The negotiations were with Max Raddock on the purchase of these bonds and the mortgage was done through the officer of the local, and through Jacob Friedland, the attorney for the local in Jersey City.

Mr. KENNEDY. Was he listed in the Douglas hearings as receiving some money from a welfare fund?

Mr. DUNNE. Yes.

Mr. KENNEDY. Under some questionable circumstances?

Mr. DUNNE. The welfare and pension fund investigation in 1955 by the Douglas committee, the public hearings, reflect that Mr. Croland, who was insurance agent for Continental Insurance Co., was directed to make payoffs of part of his commissions, and administration fees to certain named individuals in order to keep certain union accounts.

Among the recipients—there are a dozen or so—of sums of money was Jacob Friedland, who received about \$11,500 during 1952 and 1953. That is Mr. Croland.

Mr. KENNEDY. How was that listed in Croland's records?

Mr. DUNNE. It was listed as commissions or administration fees.

Mr. KENNEDY. Now, Mr. Friedland, as I understand it, has stated—

Mr. DUNNE. Mr. Friedland couldn't be reached. They made several attempts to serve him with a subpoena and he was unavailable.

Mr. KENNEDY. Since that time he has stated that this was for legal work that he did?

Mr. DUNNE. He stated this was for legal work he did for the agency, not legal work but checking on the status of insurance legislation, in the State legislature. He stated that he submitted bills for these things but that the bills may have been submitted after the money had been received.

Mr. KENNEDY. But the overall fact is that the \$85,000 of the second mortgage and the bonds which is now worth \$100,000 remains unclaimed, as of this time?

Mr. DUNNE. That is right.

Mr. KENNEDY. And no interest has been paid on it for some 6 years?

Mr. DUNNE. I interviewed them; yes.

The CHAIRMAN. It is net worth on face value?

Mr. DUNNE. The face value is \$85,000, and with accrued interest it is over \$100,000. I asked Mr. Friedland several months ago when I interviewed him, since he was counsel for local 284 and was counsel for the defunct welfare fund, who owned this money and if in event Raddock paid the money what disposition would be made of it. He stated that the money was not the property of local 284, and it was the property of the defunct welfare fund, and the disposition of the money would be made upon the receipt of it, and he had no idea at the time—

The CHAIRMAN. The disposition has already been made of it, except it hasn't been returned.

Mr. KENNEDY. Now going on—

Mr. DUNNE. In summary, then, the financing of the World Wide Press plant in Yonkers was done by the sale of \$213,000 in debenture bonds, \$70,000 first mortgage by the Block brothers' welfare fund, and the second mortgage placed by local 284's welfare fund for \$35,000. The total money invested in the operation to get it underway, then, through 1952, was \$318,000; 100 percent of the capital stock of World Wide Press was issued to Max Raddock.

Mr. KENNEDY. What did he invest?

Mr. DUNNE. According to the prospectus which accompanied the bond issue, he invested the old equipment from Feature Press, and good will.

Mr. KENNEDY. How much was the old equipment worth, approximately?

Mr. DUNNE. He placed a price on the old equipment and the good will at \$30,050, and he then received the entire issue of the stock.

Mr. KENNEDY. We are going now to the bond part of it, and the bond aspect of it—you stated that some—

Senator ERVIN. Was this corporation formed in New York State?

Mr. DUNNE. Yes, sir.

Senator ERVIN. Do New York statutes require that stock should be issued only for money or money's worth in property?

Mr. DUNNE. This was the original issue of the stock, Senator, upon the formation.

Senator ERVIN. That is what I am getting at. Most States have a statute which is that the stock can only be issued for money, or money's worth in property.

Mr. DUNNE. This would have been the consideration for it, the good will and the existing used printing equipment.

Senator ERVIN. But do you know whether the New York law permits or does not permit issuance of corporate stock for good will?

Mr. DUNNE. I know from my own personal experience that stock is transferred for a nominal amount upon the formation of a corporation in New York, usually through dummies, and then transferred to the actual owner.

Senator ERVIN. Good will is nothing in the world but probability or possibility that a satisfied customer will return for further trade.

Mr. DUNNE. Yes, sir.

Senator ERVIN. All right.

Mr. KENNEDY. Now, you stated that there was some \$213,000 of bonds issued, is that right?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Would you break that down as to who received the bonds, and to whom Mr. Max Raddock was able to sell the bonds.

Mr. DUNNE. \$124,000 was sold to labor organizations, that is, international unions and welfare funds, or local unions. \$92,500 was sold to officers of labor organizations or to members of their immediate families, wives, parents, or children. \$12,500 was sold to people with no known connection with the labor organizations.

Mr. KENNEDY. Do you have a chart on that, a mimeographed sheet giving us a breakdown on it?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Now, Mr. Dunne, you have prepared a memorandum on the purchase of the bonds, and what has been the disposition of the bonds?

Mr. DUNNE. Yes, sir. Getting into this bond issue, we noticed many peculiar charts in the manner of payment, and thus we went into more detail and tabulated in this chart all sales, and the date of the sale, and the amount of it, and the person to whom it was sold, and the method of payment for the bonds with whatever remarks were applicable.

Mr. KENNEDY. Now, I want to ask you a further question. You have the circulation of the Trade Union Courier, do you?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. And to whom the Trade Union Courier was sent?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Now I am going to ask you whether there is any correlation between those union officials who purchased the bonds of

the Trade Union Courier and the unions that purchased the Trade Union Courier.

Now, prior to that, would you submit that list to the chairman.

The CHAIRMAN. What is this document?

Mr. KENNEDY. This is a subscription list.

Mr. DUNNE. This is a list of those people who take the Trade Union Courier, Senator. This is as of 1958.

The CHAIRMAN. February 25, 1958?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. These are subscriptions in bulk, in a number of instances?

Mr. DUNNE. Yes, sir, and the books and records of the Trade Union Courier reflect that there are only 32 people who buy the paper, but that they buy it for large groups of members.

The CHAIRMAN. There are 32 actual subscribers, and some of them subscribe, like local unions may subscribe for a large number?

Mr. DUNNE. For several thousand, yes.

The CHAIRMAN. And if this is correct, the document which I now make exhibit No. 8, it shows that there were total subscriptions of 33,223 as of that date. Is that correct?

Mr. DUNNE. That is the correct number of copies of this paper that are paid for; yes, Senator.

The CHAIRMAN. It may be made exhibit No. 8 for reference.

(Document referred to was marked "Exhibit No. 8" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Now, we would like to have, at the same time, this made an exhibit, which shows who purchased the bonds.

The CHAIRMAN. Have you testified with respect to having checked on who purchased the bonds?

Mr. DUNNE. Yes, Senator.

The CHAIRMAN. Have you made a compilation of that?

Mr. DUNNE. I have, Senator.

The CHAIRMAN. Is this document that you have in your hand a compilation of the bond purchases?

Mr. DUNNE. Yes, Senator, it is.

The CHAIRMAN. It may be made exhibit No. 9 for reference.

(Document referred to was marked "Exhibit No. 9" for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. What I would like to get from you, Mr. Dunne, is the correlation between the individual union officials who invested in World Wide Press, and the unions that purchased or subscribed in bulk to the Trade Union Courier. Would you give us some examples and what the records show on that?

Mr. DUNNE. The records reflect that of the 33,000 copies of the paper distributed to union members, 25,689 are distributed to members of local unions in which the officers of the local union or the international have a direct financial interest through bond purchases in World Wide Press which prints the Trade Union Courier.

Mr. KENNEDY. Would you give us that broken down, and for instance on the Blocks.

Mr. DUNNE. In the case of the Block brothers who operate the Meat Cutters' locals in New York—

Mr. KENNEDY. They have the mortgage purchase?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. And then they also had their own individual purchases of bonds, is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. How much in bonds do they have? Louis Block and his family purchased some \$15,000 worth of bonds?

Mr. DUNNE. There are \$5,000 worth of bonds issued to Louis Block's wife.

Mr. KENNEDY. In her maiden name?

Mr. DUNNE. Which are still held, yes. There is \$6,000 in bonds purchased by Louis Block's sister, Sonia Bytansky, which were transferred a short time thereafter to Louis Block's son, Allen Robert Block, and so that is actually a total purchase of only an additional \$6,000.

In addition there is another \$4,000 in bonds held by Louis Block's son. So that members of Louis Block's family own a total of \$15,000 in bonds in World Wide Press.

Mr. KENNEDY. Does Max Block also own some bonds?

Mr. DUNNE. Max Block owns no bonds personally. However, local 342 of which he is president owns \$10,000 worth of bonds. Now, between these two locals, they account for one-third of the total circulation of the Trade Union Courier.

Mr. KENNEDY. That is 11,299?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. What about 32 B of the Building Trades or Building Services?

Mr. DUNNE. The principal officers of local 32 B are Dave Sullivan, president, and Thomas Shortman, vice president. Sullivan purchased \$5,000 worth of bonds in his own name, and with his money. Shortman purchased \$17,000 worth of bonds, and, incidentally, he is the largest individual bondholder. So that between the two principal officers of local 32 B, they purchased \$22,000 in bonds in World Wide Press.

For a number of years, and up to the present time, they take a bulk subscription for their membership of 2,000 copies of the Courier, which amounts to 6 percent of their total circulation.

Mr. KENNEDY. Then Mr. Charley Johnson's wife?

Mr. DUNNE. Charley Johnson is an official of the Carpenters' Union in New York City and a member of the general executive board of the international, and we found that \$5,000 in bonds were purchased in the name of Charles Johnson's wife, and \$5,000 were purchased in the name of his brother's wife, Robert Johnson, another official of the Carpenters' Union in New York.

Locals controlled by Johnson in New York purchased 5,000 copies of the Courier, and the international, of which he is a member of the executive board, purchased another 5,500 copies of the Courier, and thus the Carpenters' locals controlled by Johnson and the international union purchase close to 11,000 copies of the biweekly circulation of the Courier.

Mr. KENNEDY. So, in summary on that, the Block group and the Johnson group, and local 32 B purchased some \$67,000 of bond issues, plus \$70,000 in mortgages, and their unions or unions controlled and associated with them provided for some 70 percent of the circulation of the Courier, is that right?

Mr. DUNNE. That is right, 70 percent of the circulation of the Trade Union Courier goes to the Carpenters, the Block's Meat Cutters' locals, and Dave Sullivan's local 32 B, authorized by those individuals.

The CHAIRMAN. Of what?

Mr. DUNNE. Of the Building Services Employees Union.

Mr. KENNEDY. Mr. Dunne, in this breakdown, this gives, I believe, and exhibit No. 9 gives these bond purchases in detail, is that right?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. And there is going to be, obviously, a duplication in here, because some of the bonds were transferred, isn't that right?

Mr. DUNNE. That is right, and a good example of that is on page 3, where we show a total of \$48,000 being held by various officials of the Meat Cutters' Union, and actually that is the total amount held by different people throughout the years, and some of those were transferred within the group.

Mr. KENNEDY. That does not mean there are \$48,000 at the present time?

Mr. DUNNE. No.

Mr. KENNEDY. That is \$48,000 over the period of time, and some of those were transferred from one union official to the other, is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now, Mr. Dunne, did we also find beyond this some peculiarities in the purchase of the bonds?

Mr. DUNNE. Yes, we did, Mr. Kennedy.

Mr. KENNEDY. And this is a matter of somewhat complication, is that right?

Mr. DUNNE. We had considerable difficulty getting the books and records of the Trade Union Courier, World Wide Press, and two other of Max Raddock's enterprises.

Mr. KENNEDY. Are all of the books and records of the World Wide Press and Max Raddock and the Trade Union Courier still in existence?

Mr. DUNNE. I don't know. I know we don't have them all.

Mr. KENNEDY. What ones haven't we been able to get?

Mr. DUNNE. There are great gaps in the financial records for the period of 1950 through 1953, which would be the crucial period in which we are involved, the issuance of these bonds. There are thousands of canceled checks which have not been supplied, although subpoenaed. The claim is that they no longer have them, or they can't locate them.

Cash receipts and disbursement books for those early days, are no longer available to us.

Mr. KENNEDY. So it is somewhat difficult to get the complete answers, at least from the records?

Mr. DUNNE. That is right. Several of these transactions were peculiar, and we have done what we could to trace them through, and put down the evidence as we have found it.

Mr. KENNEDY. Let me ask you to give some examples. For instance, on the purchase of the bonds by Louis Block of the Meat Cutters, or by his wife, for \$5,000, how do the records or bank deposits show that that was paid for?

Mr. DUNNE. The cash receipts book for this bond account maintained by Max Raddock shows that on May 8, 1950, a deposit of



\$5,000 was made for the purchase of these bonds. The books and records reflect just \$5,000. We went to the bank and obtained a copy of the deposit ticket, to support that \$5,000 purchase, and upon examination of the deposit ticket, and I am talking about item 15 in the chart, we noticed it was made up of a series of 13 checks totaling \$2,700.34, and 5 checks totaling \$2,299.66.

We have a listing of the amount of these checks and they are all odd amounts, like \$99.79 and \$173.76, and similar amounts. We had very few canceled checks from Raddock's enterprises for the year 1950. However, we did have their payroll accounts, and we noticed upon an examination of their payroll records that checks in identical amounts to 13 of these, to the penny, were drawn as payroll checks from 13 employees of the Trade Union Courier. All were drawn a few days before the deposit in that account, and all cleared the bank and the next business day after this \$5,000 deposit.

Based on that circumstantial evidence, 13 identical checks, we came to the conclusion that the deposit that went to make up the \$5,000 purchase for Louis Block's wife was from money from Raddock's own enterprise.

The CHAIRMAN. Now, 13 checks aggregating how much?

Mr. DUNNE. \$2,700.34.

The CHAIRMAN. \$2,700?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Now, as I understand your testimony, you haven't been able to find all of the checks.

Mr. DUNNE. Yes. Actually there were 18 checks, which, taken together, totaled exactly \$5,000. We could trace 13 of those checks to payroll checks from Trade Union Courier, and we could not trace the other 5 checks which made up the difference.

The CHAIRMAN. Now, the 13 were issued presumably and recorded as salary checks or wage checks to the employees of that company?

Mr. DUNNE. Of Max Raddock's company, yes, sir.

The CHAIRMAN. In other words, these checks, so far as the record reflects, were in payment of wages or salaries to employees of the company?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Now, you find that those checks, however, were used or put into an account to purchase the bonds for Mrs. Louis Block, is that correct?

Mr. DUNNE. Yes, Senator.

The CHAIRMAN. What did the checks reflect with respect to endorsements?

Mr. DUNNE. We cannot get the actual checks, Senator, and those were not delivered to us.

The CHAIRMAN. You have not examined the actual checks?

Mr. DUNNE. It is an examination of the payroll records and the bank statements.

The CHAIRMAN. But the payroll record reflects that this money was deposited in those accounts?

Mr. DUNNE. Yes, Senator.

The CHAIRMAN. The checks reflect it in that they are the exact amount and all occurred at the same time?

Mr. DUNNE. That is right.

The CHAIRMAN. The checks aggregating \$27.34 that were presumably payroll checks?

Mr. DUNNE. \$2,700; yes.

The CHAIRMAN. They went into this account that paid for Mrs. Block's bonds?

Mr. DUNNE. That is right, Senator.

Mr. KENNEDY. Mr. Chairman, I might point out to you that we asked Mr. Louis Block when he appeared before the committee as to how these bonds were purchased, and he stated by check, and he gave a check to Mr. Raddock. We have asked to have him turn that check over and he is unable to produce it, and an examination of his bank accounts could not reveal a withdrawal during this period of time.

The CHAIRMAN. Do you have testimony from him as to all of the bank accounts he has?

Mr. KENNEDY. That is right.

The CHAIRMAN. And he said it was paid by check?

Mr. KENNEDY. That is right.

The CHAIRMAN. And they have examined the bank accounts of Louis Block and his wife, and find no such check given during that period of time?

Mr. KENNEDY. That is correct. He gave us one bank that he was sure it was drawn on and that bank account was not even in existence at the time.

The CHAIRMAN. May I ask, do you have any way of ascertaining whether these checks were issued to fictitious employees, or to people who were actually on the payroll?

Mr. DUNNE. As far as we have been able to ascertain, these checks were issued to individuals whom we know to have been connected with the Courier at that time.

We have not been able to find that there were duplicate checks issued at that time. We don't know.

The CHAIRMAN. You can't trace it any further than that?

Mr. DUNNE. No; we can't.

The CHAIRMAN. It is something that needs considerable explanation.

Mr. DUNNE. Yes, Senator.

Mr. KENNEDY. As you know, we have asked Mr. Raddock for an explanation, and as of this time he has not been able to give us one.

Now let me ask you another question. Louis Block's sister received \$6,000, and you have Louis Block's wife's \$5,000; was that handled in the same fashion?

Mr. DUNNE. Yes; that is item 16 on the chart, and again the books maintained by World Wide Press would indicate that \$6,000 was deposited on the date that the bond was issued, and we secured the deposit ticket, and found out that the \$6,000 was made up of \$28.75 in cash and 20 checks which we identified by the same process as having come from Raddock Enterprises.

The CHAIRMAN. How many?

Mr. DUNNE. 20 checks totaling \$5,127.28, and 4 unidentified checks totaling \$844.11. That is how the \$6,000 was made up.

The CHAIRMAN. What is that?

Mr. DUNNE. \$844.11. That totals, \$6,000.

The CHAIRMAN. That is \$6,000 even.

Mr. DUNNE. Yes, sir.

The CHAIRMAN. In other words, the purchase of bonds for Mrs. Louis Block, and also the purchase of bonds for his sister, Sonya Bytansky, were all purchased by this devious way of using payroll checks; is that correct?

Mr. DUNNE. Yes, Senator. Actually, there were other deposits in that, too, which brought the total deposit, and this is an incomplete listing of those deposits, and there were other deposits from other known checks, totaling \$6,000.14. We were able to trace 2 of those checks directly, 4 of those checks directly out of Max Raddock's business interests. Those were among the few checks that were delivered for this period of time. First of all, by the circumstantial identification and later by checking the canceled checks, we came up with four of those checks, which went into the deposit to make up the purchase of bonds by Mrs. Bytansky.

Mr. KENNEDY. So four checks came directly from Mr. Raddock to purchase the bond for Louis Block's sister; is that right?

Mr. DUNNE. Yes, sir; one is a petty-cash check.

Mr. KENNEDY. How much do they total?

Mr. DUNNE. One is \$15 and another petty-cash check for \$10, and a petty-cash check for \$35, and a cash payroll check for \$545.43.

All of these checks were drawn to cash, and then deposited in the World Wide Press bond account to support the purchase of Mrs. Bytansky.

The CHAIRMAN. In each instance, the money that was placed in the bond account covering the purchase price of the bonds issued to Mrs. Louie Block and also to Mr. Block's sister, the money deposited to cover the purchase price of those accounts came from these checks, and as you have described them.

Mr. DUNNE. That is right, Senator.

The CHAIRMAN. You find no record of Mrs. Block or of Mr. Block's sister having made any payment whatsoever.

Mr. DUNNE. That is right, Senator.

Senator ERVIN. And the bonds that were issued to Mrs. Louis Block were issued to her in her maiden name of Sylvia Lippel; isn't that right?

Mr. DUNNE. That is right.

Senator ERVIN. They were issued to her maiden name rather than the married name?

Mr. DUNNE. That is right.

Mr. KENNEDY. What about Louis Block's son; he received \$4,000.

Mr. DUNNE. Actually he holds a total of \$10,000. This \$6,000 which we just discussed was transferred to him. Now, there was an additional purchase or an additional sending of \$4,000 in bonds to Alan Robert Block, who is Louis Block's son. This purchase was made on January 16, 1952.

Mr. KENNEDY. How would it appear that these bonds were purchased and paid for?

Mr. DUNNE. The cash receipts book of World Wide Press which I have been discussing in which there should be entered the amounts of money received for the sale of these bonds reflected no money received whatsoever for the issuance of this \$4,000 in bonds to Alan Robert Block.

Now, at about the same time, four officers of another butcher local had cashed in their bonds and World Wide Press had paid each of them \$1,000 by check, so that World Wide Press was out \$4,000, and then these bonds were issued without the receipt of any money, and it was shown on the books as a transfer of the bonds from these four other butcher local officials to Louis Block's son.

The CHAIRMAN. Now, as I understand it, the World Wide Press paid out \$4,000 to 4 separate bondholders who cashed in their bonds.

Mr. DUNNE. That is right, and it redeemed their bonds.

The CHAIRMAN. And then they show on the record this \$4,000 bond to Louis Block's son, and show that as a transfer from the other 4.

Mr. DUNNE. That is right.

The CHAIRMAN. The 4 to whom they paid out the \$4,000 cash?

Mr. DUNNE. That is right.

The CHAIRMAN. And it reflects no deposit of \$4,000 to cover the \$4,000 paid out.

Mr. DUNNE. That is right, Senator.

The CHAIRMAN. That looks like an outright gift. O. K.

Mr. KENNEDY. Now, Mr. Dunne, we have some affidavits, do we, as to why those four union officials sold their bonds?

Mr. DUNNE. Yes, and actually affidavits were received from 2 of them, but they covered the 4 of them.

Mr. KENNEDY. Do you have those affidavits and perhaps we can place those in the record.

The CHAIRMAN. Let the Chair see the affidavits, so that I may refer to the pertinent parts of them. The affidavits may be printed in the record in full, at this point. I would like to see them, so that I can quote the pertinent parts of them.

(The documents referred to follow:)

#### AFFIDAVIT

STATE OF NEW YORK,

*County of New York:*

I, Richard Skalet, being duly sworn, depose and say:

That I make this statement at the request of Robert J. Cofini, known to me to be an investigator, assigned to assist the United States Senate Select Committee on Improper Activities in the Labor and Management Field; that I have been informed and know that this statement will be introduced and used into evidence at a public hearing held before the said United States Senate Select Committee on Improper Activities in the Labor of Management Field; and that the statements contained herein are true.

Sometime in 1951, Mr. Max Raddock, editor of the Trade Union Courier approached me in reference to the purchase of World Wide Press Syndicate bonds (15 years debenture bonds) as an investment for Butchers Union Local No. 174. At that time, I informed Mr. Raddock, that I did not think that the union would purchase these bonds. But after discussions at subsequent times, Mr. Raddock was able to persuade me to purchase personally a \$1,000 bond. This bond was purchased in or around August 1951.

During the course of our conversations I was informed by Mr. Raddock that many local unions in this area were purchasing World Wide Press Syndicate Bonds as an investment from the local unions. Sometime after I had purchased the \$1,000 bond personally I found out that many other locals had purchased these bonds, and Mr. Raddock wanted us to purchase additional bonds for our local union, we took this matter up with our executive board in December 1951, when it was decided to purchase a \$5,000 bond (World Wide Syndicate Press bond) for Butchers Union Local No. 74.

When this was done I called Mr. Raddock and told him that the executive board had given us permission to purchase a \$5,000 World Wide Press Syndicate bond, and that I would issue him a check for \$5,000 for the bond, if he would

refund the \$1,000 to me, for the bond which I had purchased. He took my bond back and refunded \$1,000 to me by check. To the best of my recollection, I purchased the bond with \$1,000 cash taken from my own funds.

RICHARD SKALET.

Sworn to before me this 2d day of June 1958.

[SEAL]

ROBERT J. COFINI,  
*Notary Public, State of New York.*

Commission expires March 30, 1960.

#### AFFIDAVIT

STATE OF NEW YORK,

*County of New York:*

I, Fred Rubin, being duly sworn, depose and say :

That I make this statement at the request of Robert J. Cofini, known to me to be an investigator assigned to assist the United States Senate Select Committee on Improper Activities in the Labor Management Field; that I have been informed and know that this statement will be used and introduced into evidence at a public hearing held before the said United States Senate Select Committee on Improper Activities in the Labor or Management Field; and that the statements contained herein are true.

About the beginning of the year 1951, Mr. Karl Muller, Richard Skalet, Frank Kissel, and myself, all officials of Butchers Union Local No. 174, were approached by Mr. Maxwell Raddock, to propose to the local union to buy bonds issued by the World Wide Press Syndicate, Inc. We told Mr. Raddock that we would not do so.

However, after some discussion we agreed to purchase bonds individually, for the sum of \$1,000 each. And this was done. I sent him a check of \$1,000 drawn on my own personal account, and after a while I received a bond certificate. About 2 months later, the above-mentioned officials and myself had a discussion of the money so invested. During this discussion it was brought out that many of the other locals had purchased bonds for their locals, but the officials had not bought any bonds personally. We decided that we would get in touch with Mr. Raddock and ask him whether or not it would be possible to return the bonds and get our personal money back.

In turn we proposed to the local union to purchase a bond for the sum of \$5,000. This was done and accepted by the executive board of our local. I turned over the bond which was in my possession to Mr. Raddock, and at the same time I received a check for \$1,000 as refund.

FRED RUBIN.

Sworn to before me this 2d day of June 1958.

[SEAL]

ROBERT J. COFINI,  
*Notary Public.*

Mr. KENNEDY. Mr. Chairman, these are union officials trying to get their money back, and they got their money back only with the understanding or arrangement that their union would make a similar purchase of the \$5,000 with union funds.

The CHAIRMAN. It is more than similar; they are getting back \$5,000 bonds purchased by the union.

Mr. KENNEDY. What about John O'Rourke, the vice president?

Mr. DUNNE. That is item 34 on the chart.

Mr. KENNEDY. That was handled in a similar way that you described before.

Mr. DUNNE. For that \$5,000 bond purchase, only \$5.97 in cash was deposited in World Wide Bond account, and the remaining deposit was made up of 25 checks, 18 of these checks have been identified as coming from Raddock's various business enterprises, and 7 checks remain unidentified.

Mr. KENNEDY. Then you have some purchase of bonds by certain officials of the Jewelry Workers Union. Could you tell us in substance from an examination of the records what happened there?

Mr. DUNNE. From an examination of the records, it reflects that Frank Gold, president, and Benjamin Berger, secretary-treasurer of Jewelry Workers Local 8, and these are items 37 and 38 on the chart, each purchased \$1,000 in July of 1951. Upon interview it was noted that the deposit tickets making up these purchases, that the money was paid in cash. On interview they admitted the money was paid in cash, and stated that they had gone to a local bank and had borrowed \$1,000 at about 8 percent interest, in order to purchase these bonds at 3.5 percent interest.

The comaker on each of their notes was Hyman Powell, the international president of the Jewelry Workers, who recommended to them that they buy the bonds. About 18 months later, in January of 1953, Hyman Powell wanted to borrow money from each of the officers of this subordinate local in his organization.

Mr. KENNEDY. He is a vice president, I believe.

Mr. DUNNE. International vice president, I believe yes.

Mr. KENNEDY. Go ahead.

Mr. DUNNE. They told him at that time that they were unable to give him any money as they were short, but gave him instead these 2, \$1,000 World Wide Press bonds and told him to get the best price that he could for them.

Hyman Powell then had a conference with Max Raddock and accepted \$1,500 in cash for these \$2,000 in bonds. He was unable to tell us what he did with the \$1,500.

Mr. KENNEDY. A lot of this is hearsay, Mr. Chairman, but the records do indicate that the two union officials borrowed from the bank at some 8 percent interest, and then purchased bonds in Max Raddock's company at 3.5 percent interest, and that these bonds were ultimately turned in and redeemed, not for the full price, but for some \$1,500, as I understand, for \$2,000 worth of bonds.

The CHAIRMAN. Within what period of time?

Mr. DUNNE. About 18 months later, Senator.

Mr. KENNEDY. Now, you also have a situation in dealing with Mr. John P. Crane, who used to be head of the Fireman's Union, up in New York City.

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Does it also show that his purchases of bonds was done through these deposit tickets?

Mr. DUNNE. That is right.

Mr. KENNEDY. Or traced to these checks?

Mr. DUNNE. That is right, and the details are in this chart.

Mr. KENNEDY. What number is that?

Mr. DUNNE. No. 36 on the chart.

Mr. KENNEDY. Now, what about Morris Horn of the Butchers' Local 627, does it show he received some \$3,000 in bonds? That is item No. 14.

Mr. DUNNE. Yes, in September of 1952, \$3,000 in bonds was issued to Morris Horn, the business manager of another Butchers' local in New York, and that is local 627.

Mr. KENNEDY. Do the records show the receipt of any cash by Mr. Raddock in connection with that?

Mr. DUNNE. No, the records show the receipt of no cash, and there was no deposit in the bank supporting this purchase.

Mr. KENNEDY. Mr. Morris Horn is here, and I would like if we might have permission to call him around at this time, if that is all right.

The CHAIRMAN. You two gentlemen just stand by, and we will call Mr. Horn.

### TESTIMONY OF MORRIS HORN, ACCOMPANIED BY COUNSEL, ELIAS FELIG

The CHAIRMAN. All right, Mr. Horn. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HORN. I do.

The CHAIRMAN. State your name, and your place of residence, and your business or occupation.

Mr. HORN. Morris Horn, 56-11, Easthampton Boulevard, Bayside, N. Y. I am business manager of the Provision Salesmen and Distributors Union, Local 627, affiliated with the Amalgamated Meat Cutters and Butcher Workmen of North America, AFL-CIO.

The CHAIRMAN. You have counsel present and will you identify yourself for the record?

Mr. FELIG. Elias N. Felig, 170 Broadway, New York City.

The CHAIRMAN. All right; we will proceed.

Mr. KENNEDY. Mr. Horn, we have had some conversations and discussions with you pointing out that the records of the World Wide Press indicate that on September 3, 1952, you purchased some \$3,000 in World Wide Press bonds; is that correct?

Mr. HORN. Yes, sir; personally.

Mr. KENNEDY. Could you tell us where you got the money to purchase those bonds?

Mr. HORN. I cannot recall, Senator, and it must be cash paid.

Mr. KENNEDY. Where did you get the cash?

Mr. HORN. I don't recall, Senator.

Mr. KENNEDY. Do you have a bank account?

Mr. HORN. Yes, sir.

Mr. KENNEDY. Where is your bank account?

Mr. HORN. I plead personal privilege on constitutional rights, and I decline to answer.

Mr. KENNEDY. Mr. Chairman, the only way to trace these bonds, as we pointed out before, is go to the bank accounts and see if there was a withdrawal of cash or see if there was a check written at the time. Now the reason I asked this question, and the reason I need the assistance of Mr. Horn, is to find out where his bank account is so that we can trace it and find out if there was in fact a withdrawal of \$3,000 cash at that time.

The records of Max Raddock indicate that these bonds were never paid for, and no money was found to pay for the bonds. It would appear to be a gift. For that reason, we need the information from Mr. Horn, and I would like to ask you again to tell us where your bank accounts are.

Mr. HORN. My answer is the same, counselor.

Mr. KENNEDY. Where were your bank accounts in September of 1952?

Mr. HORN. In New York.

Mr. KENNEDY. Whereabouts; what bank?

Mr. HORN. I decline to answer on the grounds it might tend to incriminate me.

The CHAIRMAN. Mr. Horn, you testified in executive session as you have testified here, and you said at that time that you wanted to think it over. I told you you would be given another opportunity in a public session. I pointed out to you at that time that there were records and circumstances that indicated some financial finagling in connection with the sale of these bonds.

I suggested if you could give us this information it might help to clear up what otherwise will remain as a suspicion of wrongdoing. If there was nothing wrong in the transaction, you could be very helpful to clear it up.

We want to give you that opportunity to do it. I don't see how suspicion could attach to Mr. Raddock in this connection without also attaching to you, if you decline to make some satisfactory explanation of it, or to cooperate with the committee in getting the records that substantiate the transaction.

Do you want to be helpful?

Mr. HORN. I do want to cooperate, but I don't believe going into a fishing expedition into my personal accounts—

The CHAIRMAN. We are not fishing, and we just want the facts.

Mr. HORN. I am willing to answer any questions and give facts, but I don't feel, and I think it is my personal right under the Constitution not to give that information out.

The CHAIRMAN. As to where this money came from, you feel like you shouldn't answer?

Mr. HORN. I don't recollect where the money came from.

The CHAIRMAN. We might help you recollect if we could get hold of the records, and it wouldn't be just a matter of recollection, and we would have a record.

Mr. HORN. I have no records.

The CHAIRMAN. To substantiate the transaction as to how it took place?

Mr. HORN. Senator, I have explained that to the investigator.

The CHAIRMAN. Explain it to us.

Mr. HORN. I have no records of any kind, and I am not a businessman, and I have no records.

The CHAIRMAN. You have no records, but the bank has.

Mr. HORN. I didn't say that.

The CHAIRMAN. I am sure the bank has a record.

Mr. HORN. I didn't state I drew it from the bank.

The CHAIRMAN. I know you didn't, but you don't know where you got it, and that might help you to remember. Wouldn't you like to remember where it came from, and have the transaction put out?

Mr. HORN. I still plead that privilege.

The CHAIRMAN. You are still going to stand on the privilege?

Mr. HORN. Yes, sir.

Senator ERVIN. If I understand you, you are pleading the fifth amendment.

Mr. HORN. I beg your pardon?

Senator ERVIN. You are pleading the fifth amendment.



Mr. HORN. If that is what it is.

Senator ERVIN. In other words, you are telling this committee, in substance, that if you give a truthful answer as to where your back account was in September of 1952, your truthful answer may tend to incriminate you in the commission of some criminal offense. Is that what you are doing?

Mr. HORN. I don't know. It might, and I don't know.

Senator ERVIN. You think that it might, and that is the reason that you are pleading the fifth amendment?

Mr. HORN. I think that is my privilege, Senator, isn't it, under the Constitution?

Senator ERVIN. It is your privilege. If you honestly believe that if you tell this committee where your bank account was in September of 1952, that your honest disclosure in that respect might tend to incriminate you in the commission of some crime, then you are entitled to plead the fifth amendment under the Constitution, and that is what you are doing, isn't it?

Mr. HORN. It may or may not, Senator.

Senator ERVIN. If it may not tend to incriminate you——

Mr. HORN. But it might, or it may, too.

Senator ERVIN. You have no right to plead it on the ground it may not tend to incriminate you.

Mr. HORN. But I say it might.

Senator ERVIN. Now, you stated in executive session, however, that it wouldn't tend to incriminate you, and you were merely pleading the personal privilege as distinguished from a constitutional privilege, didn't you?

Mr. HORN. I don't recall that.

Senator ERVIN. You stated in executive session that it would not tend to incriminate you, and that you were not pleading it on that ground, but that you were pleading a personal privilege as distinguished from a constitutional privilege, didn't you?

Mr. HORN. I said it may not incriminate me, and I said it may not, and I said it might.

The CHAIRMAN. But you stated in executive session first that you didn't think it would incriminate you.

Mr. HORN. Senator, are we bickering? You want to know, and let me get the question correctly. You want to know my accounts of September of 1952. Is that what you want?

The CHAIRMAN. Yes.

Mr. HORN. In 1952, you shall have it.

The CHAIRMAN. Give it.

Mr. HORN. I haven't it with me now, but I will give it to you, and I am willing to submit the records of 1952.

The CHAIRMAN. What is your recollection about it?

Mr. HORN. I have the Public National Bank and the Williamsburg Savings Bank.

The CHAIRMAN. What is that?

Mr. HORN. The Public National Bank and the Williamsburg Savings Bank.

The CHAIRMAN. Those are the two banks in which you had accounts in September of 1952?

Mr. HORN. Yes, sir, and now I may have another one, and I would have to check it.

The CHAIRMAN. You check for the other one.

Mr. HORN. I can't check it here. I came unprepared for this.

The CHAIRMAN. I understand, and I am not trying to say that, but will you check your records and see if you have any other bank account from which you may have drawn the money?

Mr. HORN. Exactly.

The CHAIRMAN. Now, that is very nice, very nice indeed. Thank you.

Senator ERVIN. You have check stubs and checks, canceled checks returned to you from your banks, don't you?

Mr. HORN. Yes, sir.

Senator ERVIN. You have them for September of 1952?

Mr. HORN. No, sir, because I have bought a home in that year, and I have moved, and all of my old records—there is no need for me to carry it, and I don't carry big checking accounts, and I don't have to carry them along with me to my new home.

Senator ERVIN. Did you keep the checks?

Mr. HORN. No.

Senator ERVIN. What did you do with them?

Mr. HORN. I left them there, and destroyed them, and what do I need them for?

Senator ERVIN. You left them there or destroyed them, and which did you do? That is two different things, and you didn't do both. If you destroyed them, you didn't leave them anywhere.

Mr. HORN. I might have left them there in the old apartment.

Senator ERVIN. You moved out of an apartment and left your check stubs there?

Mr. HORN. All of my old records were there and they are gone, Senator.

Senator ERVIN. Now, you moved your home from one place to another?

Mr. HORN. Yes, sir.

Senator ERVIN. You took your furniture along with you, didn't you?

Mr. HORN. Sure.

Senator ERVIN. But you left your check stubs, and your canceled checks at your old home, is that what you are telling the committee?

Mr. HORN. That is correct, sir, and they might be there, and I don't know. You could get those records, and they are no secret, and those records are available.

Senator ERVIN. How long have you been moved away from that place?

Mr. HORN. Since 1952.

Senator ERVIN. You say you bought your house, and why didn't you take your canceled checks and your check stubs along with you so you would have evidence that you had paid for the house?

Mr. HORN. Wait a minute, sir. We probably have evidence for that, and we have a bill of sale, and a purchase which indicates all of that stuff. We have a title which indicates all of the items, how I paid.

Senator ERVIN. So you left, and you are swearing to this committee on your oath that when you moved from the apartment to the new

house you took yourself and your family and your furniture along with you to your new home but left your canceled checks and your check stubs in the old apartment?

Mr. HORN. I don't know what happened to those checks, and I wasn't interested in them, because I was not concerned with them, Senator.

Senator ERVIN. Then you are not swearing you left them there?

Mr. HORN. No; I have said I don't know what happened.

Senator ERVIN. As far as you knew, these just vanished into thin air?

Mr. HORN. That is correct, Senator.

Senator ERVIN. That is all.

Mr. KENNEDY. I have some questions.

Did you get this money that you paid for the bonds out of your bank account?

Mr. HORN. I don't recall.

Mr. KENNEDY. Where else did you have money?

Mr. HORN. I could have borrowed it.

Mr. KENNEDY. Did you keep money at home?

Mr. HORN. I might have some cash on hand.

Mr. KENNEDY. How much money did you keep at home?

Mr. HORN. I don't know.

Mr. KENNEDY. Where would you keep your money in 1952; did you have a box?

Mr. HORN. No, sir.

Mr. KENNEDY. Did you have a safe deposit box?

Mr. HORN. No.

Mr. KENNEDY. You must remember; this is \$3,000.

Mr. HORN. I might have loaned it from another person.

Mr. KENNEDY. You might have borrowed it?

Mr. HORN. Yes, sir.

Mr. KENNEDY. From whom would you borrow it?

Mr. HORN. I don't recall.

Mr. KENNEDY. You don't remember that?

Mr. HORN. No, sir.

Mr. KENNEDY. You have no idea as to how you paid for this?

Mr. HORN. No, sir.

Mr. KENNEDY. How much money do you receive from the union?

Mr. HORN. By salary?

Mr. KENNEDY. Yes.

Mr. HORN. Is that material?

Mr. KENNEDY. It is a very material question, and how much money do you receive from the union?

Mr. HORN. How much money I receive from the union?

Mr. KENNEDY. Yes.

(Witness conferred with his counsel.)

Mr. HORN. Do you want now, and then?

Mr. KENNEDY. Right now, how much money do you receive?

Mr. HORN. \$275.

Mr. KENNEDY. Do you get expenses?

The CHAIRMAN. Per week?

Mr. HORN. Yes, sir.

Mr. KENNEDY. How much, around, do you get in expenses?

Mr. HORN. \$100.

Mr. KENNEDY. A week?

Mr. HORN. Yes, sir.

Mr. KENNEDY. Have you received any money from the union other than your salary of \$275, and your expenses of \$100?

Mr. HORN. No, sir.

Mr. KENNEDY. No other money?

Mr. HORN. No other moneys.

Mr. KENNEDY. Do you have any other source of income?

Mr. HORN. Yes.

Mr. KENNEDY. What other sources?

Mr. HORN. Not any income. I don't get the question correctly. I am not employed anywhere else, is that what you mean?

Mr. KENNEDY. No; I asked you whether you had any other source of income.

Mr. HORN. No; I have no other source of income.

Mr. KENNEDY. Do you receive any money from any other source other than your salary of \$275 and your expenses?

Mr. HORN. Sometimes I might make a commission on a sale of a business or something like that, or brokerage.

Mr. KENNEDY. What kind of business?

Mr. HORN. It could be any kind of business, a provision route, or a provision plant.

Mr. KENNEDY. A provision route?

Mr. HORN. Yes, sir.

Mr. KENNEDY. For whom do you work, and how do you get a commission on that?

Mr. HORN. I beg your pardon?

Mr. KENNEDY. How do you get a commission on that?

Mr. HORN. From the one who sells the route.

Mr. KENNEDY. Do you sell routes for them?

Mr. HORN. We help them, and they are members, and we help them sell routes.

Mr. KENNEDY. And you sell the routes for them?

Mr. HORN. We get them customers and we don't sell them, and we get buyers for the routes.

Mr. KENNEDY. How much money did you receive from that?

Mr. HORN. Depending on the amount of the sale.

Mr. KENNEDY. How much money did you receive from that source in 1957?

Mr. HORN. I don't know, and I don't recall.

Mr. KENNEDY. Approximately how much money?

Mr. HORN. I can't recall and my records would show it.

Mr. KENNEDY. Will you turn your records over to the committee?

Mr. HORN. I have promised to give you the 1952 records.

Mr. KENNEDY. Will you turn your records, and you say your records will show it, will you turn your records—

Mr. HORN. I refuse to on the ground it might tend to incriminate me.

Mr. KENNEDY. You refuse to turn your records over to the committee?

Mr. HORN. Yes, sir.

Mr. KENNEDY. Don't you receive about \$20,000 a year from this union?

Mr. HORN. No, sir.

Mr. KENNEDY. You do not?

Mr. HORN. Including the expenses?

Mr. KENNEDY. Including expenses.

Mr. HORN. I made that statement to your investigator.

Mr. KENNEDY. How many members do you have?

Mr. HORN. Approximately 1,700.

Mr. KENNEDY. How much in dues do they pay?

Mr. HORN. \$8 a month.

Mr. KENNEDY. \$8 a month?

Mr. HORN. Yes, sir.

Mr. KENNEDY. Do you drive an automobile?

Mr. HORN. Yes, sir.

Mr. KENNEDY. What kind of an automobile do you drive?

Mr. HORN. Driving now? I don't own my automobile.

Mr. KENNEDY. Does the union provide an automobile for you?

Mr. HORN. No. Up to this present time I bought my own automobile, and now we rent an automobile, beginning in this month.

Mr. KENNEDY. Have you got an automobile that was rented for you by the union?

Mr. HORN. This month.

Mr. KENNEDY. What kind of an automobile?

Mr. HORN. A Cadillac.

Mr. KENNEDY. What model?

Mr. HORN. Sedan DeVille.

Mr. KENNEDY. A 1958 Cadillac Sedan DeVille?

Mr. HORN. Yes, sir.

Mr. KENNEDY. And beyond that you receive \$20,000, and you refuse to turn over your personal books and records to the committee on the ground it might tend to incriminate you?

Mr. HORN. Mr. Counsel, I want you to know that the makeup of my organization, and my members earn more than I do. They are salesmen, and we work on a selling commission, and we have a contract that the average salary of any of our members, the minimum, would be around \$10,000 a year.

Mr. KENNEDY. Will you give us a list of the names of the individuals and employers that have given you commissions over the period of the past 5 years?

Mr. HORN. No employers gave me commissions.

Mr. KENNEDY. Who gave you commissions, then?

Mr. HORN. We have, in our organization, members who own and operate their own vehicle. They want to sell it, and they ask us if we can get them a buyer, and if we get them a buyer, we sell their routes. There is nothing to do with any employers and we have no connection or association with any employers.

Mr. KENNEDY. Are these self-employed people? Is that what you are talking about?

Mr. HORN. Yes, sir.

Mr. KENNEDY. Are they members of your union?

Mr. HORN. Yes, sir.

Mr. KENNEDY. These are self-employed people?

Mr. HORN. That is correct, sir.

Mr. KENNEDY. What is the advantage for a self-employed person to belong to your union?

Mr. HORN. We have established a certain standard of living for our members in the organization.

Mr. KENNEDY. If a person owns his own business, how can you improve his working conditions, or his salary?

Mr. HORN. The working conditions of an agent-distributor, we have taken them in in order to protect their working conditions of our workingmen. When we first organized ourselves into a labor union, in 1933, we were at the mercy of the employers, and the rackets that controlled them.

Mr. KENNEDY. How many members of your union are self-employed?

Mr. HORN. About 300.

Mr. KENNEDY. Let us establish this. Beyond your salary and the \$100 expenses, you receive no other money?

Mr. HORN. That is correct.

Mr. KENNEDY. And you receive no money from any other source?

Mr. HORN. No, sir; except commissions that I might earn.

Mr. KENNEDY. What is that?

Mr. HORN. Except commissions.

Mr. KENNEDY. Does anybody in your family, does anybody receive any money for you in your family?

Mr. HORN. No, sir.

Mr. KENNEDY. They do not?

Mr. HORN. No, sir.

Mr. KENNEDY. And you refuse to turn over your books and records?

Mr. HORN. I have no books and records.

Mr. KENNEDY. You said your records would show how much money you receive as commissions.

Mr. HORN. Your internal revenue has that.

Mr. KENNEDY. They have all of those now?

Mr. HORN. They have all of those records.

Mr. KENNEDY. Are they making an investigation of you at the present time?

Mr. HORN. No, sir.

Mr. KENNEDY. Well, you said you could tell what commissions you had by examining your books and records, and I am trying to get those books and records.

Mr. HORN. Well, the report that I filed with the Internal Revenue, and I paid my taxes.

Mr. KENNEDY. That's fine, but what about your own books, personal books and records?

Mr. HORN. As I said before, I will stand on my personal privilege.

Mr. KENNEDY. By turning over your books and records?

Mr. HORN. On the ground it might tend to incriminate me.

Mr. KENNEDY. And your bank accounts at the present time?

Mr. HORN. For 1952, I agreed to give—

Mr. KENNEDY. What about at the present time?

Mr. HORN. I am not submitting them.

Mr. KENNEDY. You are not submitting any of those?

Mr. HORN. No, sir.

Mr. KENNEDY. On what ground?

Mr. HORN. On the same ground, my constitutional ground.

Mr. KENNEDY. This gentleman runs this union, local 627 of the Meat Cutters, and obviously all of the other answers that he had given as to his source of income, and what money he received from the union must be suspect, if he will not allow the committee to examine his book accounts and his own personal books and records.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. That is all.

The CHAIRMAN. The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:30 p. m., the committee recessed to reconvene at 2 p. m., the same day.)

#### AFTERNOON SESSION

(At the start of the session, the following members were present: Senators McClellan and Ervin.)

The CHAIRMAN. The committee will be in order.

Call the next witness.

Mr. KENNEDY. Mr. Bert Raddock. Mr. Chairman, he has requested an opportunity to testify to try to clear up some of these matters.

The CHAIRMAN. The witness testifies by request.

Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. RADDOCK. I do.

#### TESTIMONY OF BERT RADDOCK, ACCOMPANIED BY COUNSEL, SEYMOUR WALDMAN

The CHAIRMAN. State your name, your place of residence and business or occupation.

Mr. RADDOCK. Bert Raddock, 144—1570th Avenue, Flushing, Long Island, N. Y., employee, Trade Union Courier.

The CHAIRMAN. You have counsel.

Counsel, identify yourself for the record.

Mr. WALDMAN. Waldman and Waldman, 305 Broadway, New York City, by Seymour Waldman.

The CHAIRMAN. Mr. Raddock, do you have a prepared statement?

Mr. RADDOCK. I do not. My statement will be oral, Mr. Chairman.

The CHAIRMAN. You may proceed, then, with the testimony you wanted to give.

Mr. RADDOCK. Thank you, Mr. Chairman, and Mr. Counselor, and members of the committee.

I was present this morning when Mr. Dunne, of staff, testified with regard to certain bond purchases, and the payment or nonpayment thereof by deposits or entries or no entries in the cash books. And in his testimony, Mr. Dunne suggested, by inference, that the Trade Union Courier had paid for the purchase of some of these bonds.

The CHAIRMAN. Do you mean by payroll checks?

Mr. RADDOCK. By, I believe there were, 17 or 18 checks in 1 deposit, a number of them payroll checks to various employees.

The CHAIRMAN. I think there were three instances he testified to where apparently payroll checks had been used.

Mr. RADDOCK. I believe so, Mr. Chairman.

It was further suggested by the chairman of this committee when he asked the question of could it have been a duplicate payroll for that week, the inference, and I am sure that it was not intended as such, was that there might have been a duplicate payroll that week, and that one would go to the employees of the Courier and the other would perhaps go toward the purchase of these bonds on behalf of some individual or organization. I would like the chairman of this committee to know that to my best knowledge, in any instance where there would have been a deposit by Courier, payroll checks or any other kind of checks, into World Wide Press bond account, it would have been because of the need by Courier of moneys that particular week for miscellaneous expenses, payroll, or any other sundry expenses, and that this was for us a normal procedure, not an abnormal one, as was suggested here today: that there have been many instances for a number of years, almost up to the present day when Courier at times would be short for certain expenses for that week, or World Wide would, and there would be exchanges. But I do suggest, Mr. Chairman, that the inference that Trade Union Courier would have paid for the bond purchased for any individual is a rather unfair one, because to my knowledge I don't know of any individual who received a bond without paying therefor.

The CHAIRMAN. The Chair doesn't want to be unfair. The only thing is the circumstances pointed in that direction and I suggested it. If you have an explanation for it, and the records will show how these funds were really handled, we welcome it.

But when we get these circumstances, we have been in so many crooked deals in the course of hearings this committee has held, when we get these crooked circumstances or circumstances that indicate that something is wrong, then we get folks in here who could help us, they begin to take the fifth amendment or they have lost their records or they have all been destroyed or they have no records for them, other than to say "Well, we are honest," but that doesn't answer it.

Mr. RADDOCK. I don't envy your job, sir, but we have not been involved in crooked deals.

Mr. WALDMAN. The Chair does know that the records we are referring to were approximately 7 years old. Numerous records were produced. There are undoubtedly some gaps. But I think any business enterprise of this size, which is not a terribly large enterprise, it is not unusual to not have all records 7 years later. Nobody on behalf of this enterprise has pleaded the fifth amendment either in private or public hearings.

The CHAIRMAN. Gentlemen, we will proceed to hear the evidence that the staff has procured, and we will accept any explanation under oath that you have to give. It will be made in the light of the other evidence and the attending circumstances.

Mr. RADDOCK. Mr. Chairman, if we can——

The CHAIRMAN. I make no final decision as to myself at this moment except to say we have a record here before us of information that badly needs explanation.

Senator ERVIN. Mr. Chairman?

The CHAIRMAN. Senator Ervin.

Senator ERVIN. Let me see if I understand your testimony. At certain times you say that either the World Wide Press or the Courier



was short of funds and that they issued checks to employees in payment of salary and then these checks were endorsed back to the company? I don't know whether I understood your testimony.

Mr. RADDOCK. I don't believe that I understand your question, Senator.

Senator ERVIN. You were speaking of these checks, checks being issued by the Trade Union Courier, or on some occasions by the World Wide Press, to employees, and then the checks being received back, or the amount of the checks being received back by the Courier or the World Wide Press.

Mr. RADDOCK. That isn't quite what I suggested, Senator.

Senator ERVIN. I wish you would explain.

Mr. RADDOCK. I will try to, to the best of my ability. Through the years, there have been times, as in any business, where there is a shortage of funds due to a depletion of income from time to time, when certain expenditures have to be met, as for instance, payroll on a weekly basis, and in a particular instance quite often the Courier might have had to go out and borrow money that week in order to meet payroll, or World Wide Press might have had to go out and borrow money in order to purchase a carload of paper.

In these particular instances that I refer to, where Mr. Dunne testified that the payroll checks of employees of Courier were deposited in a World Wide Press bond account, these employees had to be paid, and very obviously they would have had to be paid with cash money in lieu of these checks.

This money would have had to come from a source other than Trade Union Courier, because if Courier deposited these employees' checks in the World Wide Press account, then World Wide Press would have, in exchange, given the Trade Union Courier the cash that week with which to meet its payroll.

This would have been balanced out by the checks of the employees' payroll. As Mr. Dunne testified this morning, a number of checks, totaling X amount of dollars, were deposited in the World Wide Press bond account, this would have been in exchange for the cash which would have been advanced by World Wide to the Trade Union Courier.

This has happened a number of times in our organization. I am sorry to say that. I would like us to be so capitalized that these things would not be necessary.

Senator ERVIN. What I do not understand, then, is why did you have to take the checks? Why did you pay them checks and take the money?

For example, if the Courier borrowed the money from the bond account of the World Wide Press, why didn't it make the deposit of the World Wide bond account check into the bank and then let these checks go and be cashed?

That would seem to be a simpler method of bookkeeping.

Mr. RADDOCK. Because as a normal occurrence our bookkeeping department would make up checks for payroll individual checks for a number of the employees. If there was not sufficient moneys in the account to cash these checks that day, quite often a number of the employees would be asked to hold their checks for a few days until there would be sufficient moneys in the account to be able to meet these checks.

Senator ERVIN. In other words, you issued checks to your employees in payment of the payroll and then you cashed the checks, instead of them taking them and cashing them themselves?

Mr. RADDOCK. Well, they might not have been able to cash them had they gone to the bank. There might not have been sufficient moneys.

Senator ERVIN. How could you cash them yourself? Instead of cashing checks, why didn't you take the money to the bank and deposit it in the bank?

Mr. RADDOCK. I thought that I explained that, Senator.

Senator ERVIN. Well, the more the explanation, the less I understand it.

Mr. RADDOCK. Then let me try to explain it again. In the case of someone purchasing a bond from World Wide Press Syndicate, and if this would have been a bond which was paid for by check, perhaps made out to Maxwell C. Raddock, or a check made out to cash, or cash—if it was cash, it would have been turned in, into our office. Trade Union Courier and World Wide Press at that time, you must remember, were located at the same premises. So physically our set up was such, unlike today, where were are perhaps 30 miles apart, at that time we were located at the same premises, and while this was a transaction between two corporations, it was a transaction between two corporations located at the same premises.

So what appears rather unusual was a normal procedure.

Senator ERVIN. As I was thinking, it seems to be an abnormal procedure which could have been handled in a normal way. If the bond account got a check, it would strike me that instead of cashing that check and bringing the cash back there, that you would deposit it in the bank.

Mr. RADDOCK. Unless it was after hours, Senator. You see, it looks like it was not the best kind of procedure. But this is hindsight on my part. I can't recall that.

Senator ERVIN. Even after hours, though, you could find it difficult to get a check cashed yourself.

Mr. RADDOCK. I agree with you, Senator. Hereafter there cannot be such occurrences, because now it is high-lighted by something like this, for which I am thankful.

Senator ERVIN. It seems to me it would be much simpler, and I think it would be a more normal thing, if you have two separate corporations, presumably with two separate bank accounts, and if one was going to borrow from the other, it seems to me what you would do would be to have an exchange of checks.

That is, if World Wide wants to loan money to the Courier, they would draw a check on their bank account and that check would be deposited.

It seems to me that you used, to me, an abnormal way of doing business to complicate simplicity.

Mr. WALDMAN. Senator, there is no question that would have been better practice, and that this was not in accordance with the best practice. But I would point out that it may well have been on occasions that a day or so would have been saved by doing this, which would have been taken up by going through the two separate checks, and on occasion money was needed that particular day.

Senator ERVIN. There is another thing that troubles us on the committee, and that is this. Whenever we start to asking people how they got the bonds, they all plead the fifth amendment, so far.

Mr. RADDOCK. I wish they wouldn't, Senator. I wish they wouldn't. They have nothing to hide insofar as any transaction with Courier or World Wide. This is one thing we do intend to establish before this committee. I know that we will be given that opportunity, Senator, so I have heard.

Senator ERVIN. Every one of them who has been here so far, as near as I can recall, has either pleaded the fifth amendment, or he has shown himself to be the possessor of one of the most complete forgetteries of any human being who has ever been before the committee.

Mr. RADDOCK. I would say that the pleading of the fifth amendment is their personal privilege. However, I would plead with them that insofar as the Courier and World Wide are concerned, that they please not avail themselves of the fifth amendment.

Senator ERVIN. The committee echoes that supplication and prayer.

Mr. RADDOCK. I am glad to know we are working together, Senator.

Mr. KENNEDY. I am not going to go through all of them, but at least one of them, for instance, Morris Horn, who appeared this morning, he got \$3,000 in bonds and, according to your records, they don't show that any money was paid for those bonds. The same thing is true for Louis Block, his son. What is the explanation of that? You have explained some exchanges and checks and other transactions, but what about Morris Horn?

Mr. RADDOCK. While I do not have the records before me, nor did I prepare the records, I do know, and I am under oath, and I am testifying, insofar as Morris Horn is concerned, that happens to be one situation with which I was made familiar at the time that Morris Horn was sold \$3,000 worth of bonds by my brother Mac.

Mr. KENNEDY. By check or by cash?

Mr. RADDOCK. That I do not know, and I don't intend to testify to something to which I don't have complete knowledge. But I do know this, that when my brother Mac told me that he had sold, at long last, Morris Horn, \$3,000 worth of bonds, I told him that I didn't think it was such a tremendous thing that he had done.

Mr. KENNEDY. Would you mind answering the question, Mr. Raddock? You are not answering the question. The records show \$3,000 worth of bonds to Morris Horn. The records show that they weren't paid for.

Mr. RADDOCK. I can't accept that, Mr. Kennedy, that the records show that they are not paid for.

The CHAIRMAN. It doesn't show that they were paid for.

Mr. RADDOCK. It does not show that they were paid for?

The CHAIRMAN. It does not show that they were paid for.

Mr. RADDOCK. I don't know whether those records are complete. They would have to show in one form or another that they were paid for.

The CHAIRMAN. They should.

Mr. RADDOCK. They probably do, Mr. Chairman.

Mr. WALDMAN. Mr. Chairman, I take it we will be given an opportunity to examine those records before your hearings are complete on that?

The CHAIRMAN. Yes, sir, you may examine them. All right, is there anything further?

Senator ERVIN. Can you give me any reason why Louis Block would want to have a bond that was purchased for his wife put into her maiden name rather than her name as his wife?

Mr. RADDOCK. I believe, Mr. Senator, you would have to ask either Louis Block or his wife for the answer to that, because World Wide Press Syndicate, to my knowledge, never suggested in whose names the bond purchases should be made out. It was only the bond purchaser who decided in whose name the bond purchase should be made out. We were not the masters of that situation.

The CHAIRMAN. All right, is there anything further?

Mr. RADDOCK. Thank you, Mr. Chairman, for the privilege.

Mr. KENNEDY. Mr. Chairman, several days ago you called as a witness Ernest Mark High, who did not appear in answer to a subpoena. We have since sent him a telegram and told him that he could expunge the record if he appeared today. I would like to call him again, if we may. Can we call him again?

The CHAIRMAN. What is the name?

Mr. KENNEDY. Ernest Mark High.

The CHAIRMAN. On May 29, as chairman of the committee, I sent a wire to Mr. Ernest Mark High, AFL Spotlight, Empire State Building, New York, N. Y., in which he was notified—and this wire may be printed in the record at this point—in which he was notified that he had defaulted in appearance before the committee pursuant to a subpoena served on him on May 13, 1958, and that that default had been noted on May 27. Such default would subject him to a penalty of contempt of the Senate. Then he was advised:

You will be given a final opportunity to purge yourself of contempt by appearing and bringing said records before the committee at room 101, Senate Office Building, Washington, D. C., on Wednesday, June 4, 1958, by 2 p. m. Upon failure to appear and produce the records, the committee will proceed with contempt action.

I received a reply by Western Union which may be incorporated in the record at this point, dated June 2. This states that the telegram sent, to which I have referred, was delivered to Mr. High.

(The documents referred to follow:)

SENATE SELECT COMMITTEE TO INVESTIGATE IMPROPER  
ACTIVITIES IN LABOR OR MANAGEMENT FIELD,  
May 29, 1958.

Mr. ERNEST MARK HIGH,

*AFL Spotlight, Empire State Building, New York, N. Y.:*

You are hereby notified that your default in appearance before the committee pursuant to a subpoena served upon you on May 13, 1958, was noted on May 27, 1958. Your default subjects you to the penalty of contempt of the Senate.

It is further noted that you failed to produce any records called for by the subpoena.

You will be given a final opportunity to purge yourself of contempt by appearing and bringing said records before the committee at room 101, Senate Office Building, Washington, D. C., on Wednesday, June 4, 1958, by 2 p. m. Upon failure to appear and produce the records, the committee will proceed with contempt proceedings.

JOHN L. MCCLELLAN,

*Chairman, Senate Select Committee To Investigate Improper Activities  
in Labor or Management Field.*

Official business.

JOHN L. McCLELLAN,

NEW YORK, N. Y.

*Chairman, Senate Select Committee To Investigate Improper Activities in Labor or Management Field, Washington, D. C.:*

Your telegram of May 29 was not received by my office until June 2, 1958, because of the intervening Memorial Day weekend. I did not reply immediately because I had expected to receive a medical report respecting my physical ability to appear before your committee and as I have heretofore informed you to make certain that such appearance would not jeopardize my life I have been told that I may expect such a report tomorrow and upon its receipt will advise.

ERNEST M. HIGH, *The Spotlight*.

[Western Union Teleg. Co.]

JOHN L. McCLELLAN,

NEW YORK, N. Y., June 2, 1958.

*Chairman, Select Committee:*

Asking Rept Dely, Washington, D. C.

ERNEST MARK HIGH,  
*AFL Spotlight, Empire State Building.*

MR. KENNEDY. Mr. Chairman, we have not had any response from Mr. High, but we do have an affidavit from an attorney in New York. We might ask if Mr. High is present here now.

THE CHAIRMAN. I will. Mrs. Watt, call room 101 and have him called there by someone. Let them identify himself to see if he is present.

MR. KENNEDY. The affidavit shows that he has been active in New York City over the period of the past week over the days that he was called on to appear before the committee, despite the fact that he claimed he was home. Also, we have information that he was at his office during this pertinent period of time.

THE CHAIRMAN. Mr. High? Ernest Mark High?

He does not reply. All right, we will finish out in this letter a little later.

In the meantime, this affidavit from Mr. Herbert S. Thatcher, an attorney at law, whose offices are at 1009 Tower Building, Washington, D. C., the affidavit being dated the 2d day of June 1958, may be inserted into the record at this point.

#### AFFIDAVIT

UNITED STATES OF AMERICA,

*District of Columbia, ss:*

Having been requested to do so by a representative of the McClellan committee, employed on the staff of Robert Kennedy, counsel for that committee, I make the following statement:

My name is Herbert S. Thatcher, and I am an attorney at law, with offices at 1009 Tower Building, Washington, D. C. This is to certify that I was present in the city court of the city of New York, New York County, on Thursday morning, May 22, 1958, at 10 a.m. in connection with a lawsuit which had been set for trial at that time before a judge whose name, I believe, is Shapiro.

The name of the lawsuit is "*Ernest M. High v. Arnold S. Zander*, as international president of the American Federation of State, County and Municipal Employees, AFL-CIO," and involved a claim by Mr. High for the cost of printing an alleged number of excess copies of the newspaper *Spotlight*. I am general counsel for the federation and was a necessary witness in the case. Mr. Zander and the union were represented by Attorney Martin E. Raphael, 38 Park Row, New York, N. Y. Present in court were Mr. High and his attorney, Mr. Alexander Eltman, Empire State Building, New York, N. Y. Mr. High appeared to be in

good health and spirits. At a pretrial conference with the judge, the judge indicated that the case should be settled, and accordingly we adjourned the matter until Wednesday, May 28, 1958.

Following the conference at the bench, we discussed possible settlement back and forth between Mr. Eltman, Mr. High, and a Mr. Jerry Wurf of 22 Elk Street, New York City, who is federation representative. We broke off these discussions around noon.

On Wednesday morning, May 28, 1958, I again appeared in that same court, before the same judge, along with Mr. Raphael and Mr. Wurf. Present in court at 10 a. m. and ready for trial were Mr. High and Mr. Eltman. The judge again indicated that the case should be settled, and after a discussion among the parties above-mentioned, it was decided to again adjourn the case until Tuesday, June 3, 1958, to permit the parties time to work out the details of a settlement.

All of the named above parties (excluding, of course, the judge) then went over to Mr. Wurf's offices at 22 Elk Street where we spent the rest of the day until at least 4 o'clock in the afternoon (when I left) in working out the details of a settlement. We worked steadily through this entire period, not even adjourning for lunch, although lunch was sent in to us in the office. Mr. High again appeared to be in good health and in good spirits during the period that I was with him. Mr. High took an active part in the negotiations.

HERBERT S. THATCHER.

Sworn and subscribed to before me this 2d day of June 1958.

THOMAS T. MOTT, Jr.,  
Notary Public, D. C.

Mr. KENNEDY. Mr. Chairman, I would like to call Mr. Dunne to finish up this testimony.

The CHAIRMAN. Mr. Dunne, take the stand.

#### TESTIMONY OF ROBERT DUNNE—Resumed

The CHAIRMAN. These witnesses have been previously sworn. You may proceed, Mr. Counsel.

Mr. KENNEDY. Mr. Dunne, we talked about the World Wide Press, which produces the Trade Union Courier, or where the Trade Union Courier is printed. So we will have an idea of the size of the World Wide press, what were the gross sales in 1957?

Mr. DUNNE. In 1957 World Wide Press wrote gross sales of \$710,000.

(At this point, Senator McClellan withdrew from the hearing room.)

(At this point, the following member is present: Senator Ervin.)

Mr. KENNEDY. What percentage did the gross sales of the Trade Union Courier amount to?

Mr. DUNNE. The Trade Union Courier provided about \$58,000 annual income to World Wide Press, or about 8 percent.

Mr. KENNEDY. Who were the biggest customers of World Wide Press?

Mr. DUNNE. The principal customers of World Wide Press are two, Food Fair Stores, Inc., a Philadelphia corporation, and a group of accounts written through a broker called Steenson. These are A. & P. stores, Grand Union stores, and a few lesser food chains. They print the throwaways in the stores, for the various stores, giving the prices for the items on a day to day basis.

Mr. KENNEDY. How much do they amount to?

Mr. DUNNE. In 1957, out of that \$710,000 gross sales of World Wide Press, \$140,000 or 20 percent was represented by the Food Fair stores account, and the A. & P., Grand Union and lesser things written

through a broker amounted to \$148,000, or another 21 percent, so that in total, 41 percent of the business was in providing this material for Food Fair stores, A. & P., and other food chains.

Mr. KENNEDY. Of course, these food chains have organizational contracts with the meat cutters, do they not?

Mr. DUNNE. Yes, sir, which are the holders of the bonds and mortgages.

Mr. KENNEDY. And also individually owning some of the bonds?

Mr. DUNNE. And members of their family, yes, sir.

Mr. KENNEDY. Did the plant show a profit during the period of time 1950 to 1957?

(At this point, Senator McClellan entered the hearing room.)

Mr. DUNNE. The plant only began operating fully in the fiscal year ending February 28, 1952. That year they showed a \$17,000 loss. In 1953 they showed a \$90,000 loss. In 1954, the plant showed a \$40,000 loss. In 1955, a \$74,000 loss. In 1956, their first year of profits, they showed a profit of \$107,000.

The CHAIRMAN. How much?

Mr. DUNNE. \$107,000. In the fiscal year ending February 1957, they showed a profit of \$117,000.

Mr. KENNEDY. Was this during a period of time when they had a particularly large financial transaction with the Brotherhood of Carpenters that they made a profit?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. We will go into that at a later time.

The CHAIRMAN. For how many years since it was organized has it shown a loss?

Mr. DUNNE. Well, the first couple of years they were just organizing, Senator. After beginning operations, and having sales and income, they showed a loss for the first 4 years and a profit for the next 2.

The CHAIRMAN. What was the loss for the first 4 years, total?

Mr. DUNNE. \$221,000, Senator.

The CHAIRMAN. What was the profit for the next two?

Mr. DUNNE. \$224,000, Senator.

The CHAIRMAN. And the \$224,000 profit all accrued after the special arrangements with the Carpenters for the writing of the book?

Mr. DUNNE. Yes, sir. I might point out that these figure I give you are from the income tax returns which were made available to us by World Wide Press, and which are joint returns for another enterprise, Raddock & Bros., Ltd., to which most of that other money was paid. That was the only function of that organization during those years.

Mr. KENNEDY. Mr. Dunne, we have gone, in the past, into some of these so-called labor magazines or newspapers, into their efforts to obtain ads from employers. Was the same procedure used by World Wide Press and Max Raddock?

Mr. DUNNE. Generally the internal operation of the office was quite similar. There was a group of ad solicitors, each of whom had a desk with telephones on them, and placed advertising either locally or on a long distance basis, and obtained his remuneration on the number of ads he wrote, percentage of the ads he wrote.

Mr. KENNEDY. Did the advertising that they received amount to the major source of the money that was received by the company?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Rather than the circulation, is that right?

Mr. DUNNE. That is right.

Mr. KENNEDY. Rather than the money that they obtained from selling the newspaper?

Mr. DUNNE. That is right.

Mr. KENNEDY. Now can you tell us from the years 1950 through 1957, what the Courier received, as far as subscriptions were concerned?

Mr. DUNNE. During that 8-year period, they received, as subscription income for selling their magazine in bulk to various labor organizations, \$514,955.36.

Mr. KENNEDY. And 70 percent, as you showed this morning, 70 percent of that goes to labor organizations, those subscriptions go to labor organizations, where the union officials have a personal financial interest by means of purchasing bonds?

Mr. DUNNE. That is right, and the inverse of that, of course, is that 70 percent of that \$514,000 was paid to the Courier by those unions.

Mr. KENNEDY. By those unions.

The CHAIRMAN. In other words, it was paid out of union funds, out of union dues funds?

Mr. DUNNE. That is right. Excuse me, that 70 percent just covered three locals. Those in the Block group, the Johnson group, and local 32-B group.

The CHAIRMAN. It just covers those locals where the officers had invested in the company in bonds.

Mr. DUNNE. That is right. Actually, all the subscription income came from various locals.

The CHAIRMAN. And the other 30 percent came from other locals?

Mr. DUNNE. That is right.

The CHAIRMAN. How many individual subscribers did it have, just where one person subscribed to one paper?

Mr. DUNNE. We could not find any.

Actually, gratuitous copies of the paper are sent to Congressmen, the President, the Secretary of State.

The CHAIRMAN. I don't think they paid for it, did they? You didn't find a record where they paid for it?

Mr. DUNNE. No, sir.

Mr. KENNEDY. \$514,955.36 comes from subscriptions. How much, during that period of 1950 to 1957, comes from advertising?

Mr. DUNNE. During the same 8-year period, up through February 28, 1957, advertising income amounted to \$3,580,876.10.

Mr. KENNEDY. So by far the greatest bulk of the money that was received by the Trade Union Courier comes from this advertising: is that right?

Mr. DUNNE. Yes; on about a 7-to-1 ratio.

Mr. KENNEDY. And this advertising, the soliciting, is done with employers; is that right?

Mr. DUNNE. By soliciting funds from management; yes.

Mr. KENNEDY. And did we find a number of those management firms were nonunion companies?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. Mr. Raddock and his two brothers receive a salary and expenses; is that right?



Mr. DUNNE. That is right.

Mr. KENNEDY. And for the brothers, it amounts to approximately \$50,000 each year for the 3 brothers?

Mr. DUNNE. That is right. It is a yearly average of about \$50,000.

The CHAIRMAN. What is the total amount paid out to the brothers in salaries during the 7-year period?

Mr. DUNNE. It is an 8-year period, Senator. I might point out there are three Raddock brothers connected with the enterprise, Max Raddock, Bert Raddock, and Charles Raddock.

They are the principal officers. Max Raddock is the sole stockholder. During that 8-year period, total salaries paid to the three brothers amounted to \$411,590.

Mr. KENNEDY. On top of that, they received expenses; is that right?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Do you know what the expenses amounted to? Do you have that total?

Mr. DUNNE. Yes, sir. The total expenses definitely attributable to the three Raddock brothers amounted to an additional \$159,547.90.

The CHAIRMAN. I see.

Mr. DUNNE. And then there were certain hotel bills, railroad tickets, airline tickets, which are not definitely identifiable with the Raddock brothers, but most probably incurred by them.

Mr. KENNEDY. How much is that?

Mr. DUNNE. \$112,821.07. A substantial part of that, I do not have the exact figure, was paid to the Black Angus, for bills run up there.

Mr. KENNEDY. That is the—

Mr. DUNNE. The Black Angus Restaurant.

Mr. KENNEDY. Which is run by Block?

Mr. DUNNE. Yes, sir. For the grand total of moneys withdrawn by the three Raddock brothers in salaries, traveling expenses and hotel and restaurant bills having been paid for them during this 8-year period, it amounted to \$683,958.87.

Mr. KENNEDY. Mr. Dunne, this is a completely personal operation, is it not?

Mr. DUNNE. Yes, sir, it is.

Mr. KENNEDY. None of this money goes to any charitable organization: none of it goes to any labor union as such?

Mr. DUNNE. That is correct.

Mr. KENNEDY. And none of it goes to any fund to fight communism or anything like that?

Mr. DUNNE. That is right.

Mr. KENNEDY. This is a completely personally owned and operated business: is that right?

Mr. DUNNE. And operated for profit: yes, sir.

Mr. KENNEDY. And from which the Raddock brothers received a salary and expenses?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. That is all for now, Mr. Chairman.

The CHAIRMAN. Are there any other questions?

If not, call the next witness.

Mr. KENNEDY. Mr. Wentworth.

The CHAIRMAN. Be sworn, please.

Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WENTWORTH. I do.

### TESTIMONY OF ROBERT J. WENTWORTH

The CHAIRMAN. Mr. Wentworth, state your name, your place of residence, and your business or occupation.

Mr. WENTWORTH. My name is Robert J. Wentworth. I live at 7513 New Market Drive, Bethesda, Md. I am the assistant director of the Department of Public Relations of the AFL-CIO.

The CHAIRMAN. You waive counsel, do you, Mr. Wentworth?

Mr. WENTWORTH. Yes.

The CHAIRMAN. You have a prepared statement?

Mr. WENTWORTH. Yes, I do.

The CHAIRMAN. Was the statement submitted within the rules?

Mr. KENNEDY. Yes.

The CHAIRMAN. Thank you.

You may proceed to read your statement.

Mr. KENNEDY. Mr. Chairman, prior to Mr. Wentworth beginning to read his statement, I made a request of the AFL-CIO to determine what their attitude had been toward the Trade Union Courier, and what their experience had been with this magazine. We have had some discussions with officials or our investigators have, with officials of the AFL-CIO. Mr. Wentworth is appearing here today to answer any questions, and to give the attitude and position of the AFL-CIO toward the Trade Union Courier and Mr. Raddock.

The CHAIRMAN. As I understand the representatives of this paper at times, through some means, gave out the implication that this paper was backed or officially connected, in some way, with the AFL-CIO; is that correct?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Therefore, you are appearing now on behalf of the AFL-CIO to give your statement in clarification of whatever that relationship may have been, if any?

Mr. WENTWORTH. That is right, Senator.

The CHAIRMAN. You may proceed.

Mr. WENTWORTH. I have been authorized by George Meany, president of the American Federation of Labor and Congress of Industrial Organizations, to make this statement on behalf of this organization.

It is my understanding that this committee is presently inquiring into and examining the practices of certain publishing concerns who engage in the printing and distribution of papers and periodicals in the labor field.

I understand that this committee is primarily interested in the methods and procedures used by the promoters of these publications in obtaining revenue through the solicitation of advertisements to be used in these publications.

The committee has indicated that it has information revealing unfair, deceptive, and fraudulent practices on the part of these concerns in the solicitation of advertisements and in the representations made by agents of these publishing companies to the general public in seeking contracts for advertisements.

This committee, I am informed, is now particularly engaged in an investigation of the activities of the Trade Union Courier Publishing Co. of New York.

It is engaged also in an examination of the activities and background of that company's principal officer, Mr. Maxwell Raddock. This committee, I am told, is examining practices of this concern which, in the process of publishing the Trade Union Courier, have been held by the United States Federal Trade Commission, and denounced by the AFL-CIO, as fraudulent, unfair, and deceptive as well as prejudicial and injurious to the public welfare.

The AFL and now the AFL-CIO has been vitally concerned with respect to the acts of the Trade Union Courier and its representatives.

Of primary concern to the federation is the continued unauthorized practice of this company's representatives of using the name of the AFL and the AFL-CIO in its solicitations from prospective clients. Of equal concern is the fact that in many situations that have been brought to the attention of the federation the ad solicitors have indicated to the victim being solicited that the best way to maintain labor cooperation is through the purchase of advertising space in the Courier.

In almost every instance that has been brought to the attention of the federation during the past years there has been some indication of fraudulent practices in connection with the solicitation.

Acts and practices of this nature, which are always harmful to the trade union movement, have prompted the AFL through its executive council and its convention, to place on record the alarm with which it views the threatening and fraudulent practices of these "boiler-room" publishers.

The federation has, through the years, continued to make known its policy to its affiliated organizations strongly recommending the greatest caution and extreme care in dealing with the use of advertising in union publications to help prevent activities such as those being discussed here.

In 1945, for instance, at the October meeting of the executive council the activities of the Trade Union Courier were discussed at some length. The president of the AFL reviewed for the council the shady practices of the Courier's agents in soliciting ads.

It was indicated at that time that the solicitations of the Courier were being made by long-distance telephone calls originating in the New York area.

This practice of using the telephone was, of course, a substitute for a procedure which would properly identify the solicitors had printed letterheads been used in their solicitations.

Generally the solicitors would hit one particular geographical area at a time, attempting to drain all the money possible before going on to another. The council was advised that the solicitors used all types of lures in their efforts to attract advertisers such as tie-ins with very "worthy and patriotic" causes such as Victory bond drives, aid to veterans drives, welcome home to veterans drives and so on.

In connection with one such drive that was largely centered in the Atlanta, Ga., area, the following statement was made and distributed by the AFL regional director in that area for the benefit of business concerns likely to be jeopardized:

September 1945.

The American Federation of Labor southern headquarters at Atlanta, Ga., during the past few days has been flooded with inquiries from manufacturers and commercial business throughout the South relative to solicitation for advertising funds by high pressure long-distance telephone salesmen alleging to represent the American Federation of Labor in publishing a special edition of the Trade Union Courier an alleged American Federation of Labor newspaper. The Trade Union Courier is a labor sheet with headquarters in New York City. It is published by Maxwell C. Raddock. They have a crew of high-pressure male telephone operators calling manufacturers long distance stating that the American Federation of Labor is getting out a special edition of the Trade Union Courier in cooperation with the Victory Loan drive and urging employers to cooperate with the coming Victory loan drive and the American Federation of Labor membership.

They allege the publication goes to all 7½ million members of the American Federation of Labor and they are requesting the employers to take an ad from \$1,600 down to \$100.

They are using a second racket, they tell the employers they are getting out a special edition to all veterans, welcoming the victorious veterans back home in behalf of the American Federation of Labor's membership and are requesting permission to run ads in this edition from \$1,600, down to \$100.

I wish to officially inform all business institutions that the American Federation of Labor does not solicit or accept advertising in any shape or form, that the Trade Union Courier, as far as the American Federation of Labor is concerned, is an outlaw racket publication, has been condemned and repudiated by the New York Central Labor Union, official New York branch of the American Federation of Labor, and we urge employers not to be gypped by placing ads thinking they are cooperating with the American Federation of Labor and where any employer has paid their money under false representation to these long-distance telephone racketeers, the American Federation of Labor will aid the employer in every possible way in recovering their loss and prosecuting to the fullest extent of the law.

The federation has always maintained a policy disapproving any unethical advertising practice of any publication. The executive council of the AFL at its meeting on May 16, 1949, pronounced very clearly the policy of the federation when it unanimously agreed that no publication claiming to be a labor paper should engage in any unethical advertising practices.

The executive council at that time also recommended and urged that all of its affiliates and subordinate bodies exercise extreme caution in any endorsement of any labor publication unless it had first complied and adhered to the code of ethics approved by the International Labor Press of America.

Here is the current code of ethics of the International Labor Press Association.

Mr. Chairman, rather than read this long code, I have given the reporter a copy. I hope that will suffice. Or would you rather have me read it?

The CHAIRMAN. It is not necessary to read it. We will accept it for the present. How long is it?

I do not know whether it needs to be printed in the record or made an exhibit. How many pages is it?

Mr. WENTWORTH. That one page is the current ethical code.

The CHAIRMAN. It may be printed in the record, if it is short, at this point.

(The document referred to follows:)

#### INTERNATIONAL LABOR PRESS ASSOCIATION (AFL-CIO) CODE OF ETHICS

To better serve the members of the American Federation of Labor and Congress of Industrial Organizations, and to protect the good name of labor from

exploitation by racket papers masquerading as union publications, the International Labor Press Association (AFL-CIO) and its members publications subscribe to and shall abide by this code of ethics:

1. Member publications will serve the best interests of the American Federation of Labor and Congress of Industrial Organizations, and uphold the high ideals of the AFL-CIO constitution at all times.

2. Member publications will plainly and prominently publish in each issue an accurate statement of ownership and endorsement.

3. Member publications will not represent, either in their publications or in the promotion or sale of advertising, that they are endorsed by the national AFL-CIO.

4. Member publications will not knowingly solicit, accept, or publish advertising from any firm against which a strike or lockout is in progress, or from any firm on the unfair list of a central labor body.

5. Member publications will not solicit nor accept local advertising from outside their area of circulation. This does not apply to national advertising.

6. Member publications will not employ high-pressure, long-distance telephone solicitors, or accept or publish advertising obtained through such methods.

7. Member publications will make no claim or suggestions directly or through salesmen that the purchase of advertising space can accomplish anything for the advertiser beyond winning consumer acceptance or approval of the advertiser's product or services. All advertising in member publications, except that concerned with nationally advertised standard brands, must carry the name and location of the advertiser and, when pertinent, also the identification of the product or services he sells.

8. Member publications will not associate themselves in any manner with the publication of any yearbook, directory, or program that has for its primary purpose the solicitation of donations under the guise of selling advertising.

Violation of this code of ethics by a member publication shall constitute cause for suspension and expulsion under procedures provided in the constitution of the International Press Association (AFL-CIO).

Mr. WENTWORTH. The executive council in its January 30, 1950, meeting noted that improper practices of the Trade Union Courier had continued in spite of the earlier actions taken by the federation.

It noted that certain AFL affiliates had, in fact, not followed the recommendations of the council in connection with the exercising of extreme care in endorsing labor publications. The council therefore authorized the president to inform all subordinate affiliates of the policy of the federation on the status of the Trade Union Courier. This letter was sent March 17, 1950, and reads as follows:

I also have placed a copy of that in the hands of the reporter.

The CHAIRMAN. It is a one-page letter?

Mr. WENTWORTH. Yes, sir.

The CHAIRMAN. It may be printed in the record.

(The document referred to follows:)

AMERICAN FEDERATION OF LABOR,  
Washington, D. C., March 17, 1950.

TO SECRETARIES OF CENTRAL LABOR UNIONS AND STATE FEDERATIONS OF LABOR.

DEAR SIRS AND BROTHERS: The executive council of the American Federation of Labor, at a meeting which it held recently, gave consideration to reports which had been submitted to it which showed that the Trade Union Courier, a publication which classifies itself as a labor newspaper, had engaged in unethical and misrepresentation practices in the solicitation of advertisements. This fact is reflected in a communication received from the president of a State federation of labor which is in a large way similar to other communications which have been received, and which contained the following statement:

"Mr. R. I. Kaye, 3 West 17th Street, New York City, has been making long distance calls into the State to firms employing large groups of organized labor. Mr. Kaye informs these industrialists that his Trade Union Courier has the official approval of the American Federation of Labor, and that the Courier is devoting all of its efforts to building better relations along the conciliatory

approach, and that he stands to succeed if he can get the support of the industrial group.

"This morning he asked 1 industrialist for a donation of \$2,500. Many such calls have come into this State."

After giving this information and all facts in support of it careful thought and consideration the executive council directed that this official communication be sent to central bodies and State federations of labor, advising them as follows:

(1) That the Trade Union Courier is not in any way connected with the American Federation of Labor and does not speak for the American Federation of Labor.

(2) No endorsement of any kind has been given by the American Federation of Labor or any of its representatives, to the Trade Union Courier.

(3) That the executive council believes that it is not helpful to the American Federation of Labor and for that reason the executive council requests that our affiliated unions withhold and discontinue giving aid or assistance to this publication.

I respectfully request that the officers and members of city central bodies and State federations of labor will be guided by the advice and instructions herein submitted, and will give as wide publicity as possible to the information, advice, and instructions herein set forth.

Fraternally yours,

W. GREEN,

*President, American Federation of Labor.*

Mr. WENTWORTH. Again in September 1951, the subject of this publishing company's activities was discussed by the executive council. During the interim period continued complaints had been received from AFL affiliates in and outside of the New York area as well as from business concerns complaining of the tactics of the Trade Union Courier representatives in their efforts to secure subscribers to this advertising medium.

The council was advised at that time of the letter condemning the practices of the Trade Union Courier and warning affiliates that the Trade Union Courier was not in any way connected with the American Federation of Labor and did not speak for the AFL.

It was further reported to the council that no legal action could be taken except by a person who was approached in a fraudulent manner by a Courier representative. The federation continued to receive complaints from affiliates and from business groups.

The general tenure of these complaints indicated that representatives of the Courier were contacting business concerns far outside to the New York area and were representing themselves as representatives of the AFL and as representatives of an official publication of the AFL.

In March 1952, then with the full cooperation and support of the American Federation of Labor, the United States Federal Trade Commission issued a complaint against the Trade Union Courier Publishing Corp. and against Maxwell. Charles, and Bert Raddock, as individuals and officers of that corporation.

The Commission charged the company with unfair and deceptive acts and practices, and unfair methods of competition in commerce in violation of the Federal Trade Commission Act.

After a full hearing in the matter the Commission found that the charges were proven and issued an order to the corporation to cease and desist from; representing directly or by implication that the Courier was endorsed by, affiliated with, sponsored by, or otherwise connected with the American Federation of Labor; placing, printing, or publishing an advertisement on behalf of any person or firm in

such paper without a prior order or agreement to purchase said advertisement; and from sending bills, letters, or notices to any person or firm with regard to an advertisement which has been or is to be printed, inserting or publishing on behalf of such person or firm, or in any other manner seeking to exact payment for any such advertisement without a bona fide order or agreement to purchase such advertising.

This decision was appealed by the Trade Union Courier to the United States Court of Appeals, Third Circuit. Four years following the original FTC complaint the court of appeals found that no error had been committed in the procedure of the Commission and that the record in the case fully supported the findings and conclusions of the Federal Trade Commission. The findings, the court held, were clear and definite and the Commission had acted in the public interest.

In an effort to further counter the activities of the Trade Union Courier, the federation, on April 15, 1952, directed a letter to the Better Business Bureaus located throughout the country. This letter was sent to all organizations appearing on a master list furnished by the Better Business Bureau.

The letter, which is set forth below, was intended to apprise on a national basis, as many employers as possible of the unethical practices of these publishing companies as well as to fully acquaint these employers with the longstanding fact that no one was authorized to solicit advertising in the name of the AFL or to use the name of the AFL for any publication.

The CHAIRMAN. I wonder if you know whether these letters and statements you issued—whether copies of them were sent to the Courier publication.

Mr. WENTWORTH. I am afraid I do not have that information, Senator.

The CHAIRMAN. I just wondered, when you were trying to protect your union, your international against this practice, if, as you sent out these notices, you sent to them and demanded that they desist.

You may not know about it.

Mr. WENTWORTH. I do not know about it at the moment, Senator, but I could find out if the Trade Union Courier was included.

The CHAIRMAN. You may submit information on that. I think they certainly should have received a copy.

Mr. WENTWORTH. That letter, Senator, has also been handed to the reporter and that will preclude my reading it, I assume.

The CHAIRMAN. Is it brief?

Mr. WENTWORTH. Yes, sir, it is. It is one page.

The CHAIRMAN. All right. It may be printed in the record.

(The document referred to follows.)

AMERICAN FEDERATION OF LABOR,  
*Washington, D. C., April 15, 1952.*

GENTLEMEN: The American Federation of Labor has received numerous inquiries from businessmen in all parts of the country regarding solicitation of advertising.

This solicitation, according to the inquiries, comes by long-distance telephone from New York City and the solicitor identifies himself as representing the American Federation of Labor. The latest "sales talk" is to seek advertising for the purpose of financing an anti-Communist drive of some kind. The "boilerroom" method is used and they canvass business firms listed in directories—taking a single city or a whole State at a time.

For many years the American Federation of Labor has publicly and officially disavowed this type of activity by unscrupulous individuals. Let me emphasize, no businessman is doing the American Federation of Labor a favor by purchasing advertising space solicited in this manner.

We wish to inform you—and we hope you will pass along the information to the businessmen in your community—the American Federation of Labor does not accept paid advertising in any of its publications. No one is authorized to solicit advertising in the name of the American Federation of Labor for any publication.

Very truly yours,

GEORGE MEANY,  
*Secretary-Treasurer, American Federation of Labor.*

MR. WENTWORTH. Again in 1953, the federation, by letter, advised its affiliates of the AFL position on the Trade Union Courier and other unauthorized publications.

At the 73d convention of the AFL, held in September 1954 at Los Angeles, Calif., a resolution was passed unanimously by the delegates assembled, condemning the fraudulent and deceptive tactics of "boiler room" type solicitation of advertisements for labor papers.

This resolution, which I present herewith, was circulated by order of the convention to all affiliates of the American Federation of Labor.

That, sir, is a page and a half, and I am submitting that also to the reporter for inclusion, if I may.

THE CHAIRMAN. All right. If the Chair had known there was to have been so much of it, I would have made them all exhibits. But let them go in, since we started that way.

(The document referred to follows:)

#### RESOLUTION TAKEN FROM THE PROCEEDINGS OF THE 1954 CONVENTION

Resolution No. 140: By Delegates J. Scott Milne, Lewis M. Hermann, Geo. L. Russ, Brownie H. Cuthbert, Wallace C. Reilly, J. Arthur Moriarty, Ernest M. Hathaway, W. H. C. Murray, Fred H. Brigham, and J. S. Smith.

Whereas the International Labor Press of America has consistently endeavored to eliminate from the labor press field unethical and irregular publications parading as labor papers; and

Whereas the American Federation of Labor has at all times encouraged and cooperated with the labor press in carrying out this important task; and

Whereas in the course of this phase of ILPA endeavors, a complaint was filed with the United States Federal Trade Commission against a publication known as the Trade Union Courier, published in the city of New York, charging that publication with unauthorized use of the name of the American Federation of Labor in the solicitation of advertising and donations; and

Whereas the aforesaid Trade Union Courier has been announcing publicly through its columns and in testimony before a Federal Trade Commission examiner, that it has the bonafide endorsement of over 2,000 A. F. of L. unions, and

Whereas this publication has continued to claim of 2,000 A. F. of L. union endorsements in the high pressure solicitation of advertising and donations, in spite of the fact that the officers and executive council of the A. F. of L. and the ILPA have repeatedly denounced the Trade Union Courier for its unethical methods which have proved injurious to the prestige and good name of the labor movement: Be it therefore

*Resolved by the American Federation of Labor, at its 73d Annual Convention at Los Angeles, Calif., September 20, 1954,* That we hereby go on record requesting the officers of this federation to institute a thorough investigation into the validity of the 2,000 A. F. of L. union endorsements claimed by the Trade Union Courier, and be it further

*Resolved,* That in the event that any of the above-mentioned endorsements are found to be valid, the offices of the American Federation of Labor are hereby urged to bring about the cancellation of such endorsements, to the end that the good name of the American Federation of Labor, the International Labor Press of America and their affiliates be protected from further injury; and be it further



*Resolved.* That copies of this resolution be spread upon the minutes of this convention, and forwarded to the International Labor Press of America and to the affiliated international unions of the A. F. of L. for their information and guidance.

Referred to committee on resolutions.

Mr. WENTWORTH. During the investigation of the Trade Union Courier Publishing Co. by the United States Federal Trades Commission, the Courier, as a defense to the action stated it had been endorsed by some 2,000 labor organizations which were in some way affiliated with the AFL.

The president of the AFL ordered in 1955 an investigation of these endorsements and found that the Courier had some form of endorsement from 101 individual local unions, 9 international unions on behalf of their affiliates which brought the total to 1,674 local unions.

In addition, 24 central bodies had endorsed the paper and this was done on behalf of 1,094 local unions affiliated with the central bodies. These endorsements, I understand, did not contemplate the receipt of any revenue from the publishing firm.

The council at this time authorized the president to direct letters to the international unions and central bodies involved to seek withdrawal by these organizations of their endorsement because of the flagrant and frequent misuse of the name of the AFL in these solicitations.

Such a letter was sent and is included herein.

The CHAIRMAN. All right. That may be printed in the record at this point.

(The document referred to follows:)

DEAR SIR AND BROTHER: At its recent meeting, the executive council of the American Federation of Labor considered the subject matter of Resolution No. 140, which had been adopted by the 1954 convention, together with a recommendation of the hearing examiner of the Federal Trade Commission relative to the Trade Union Courier.

As a result, I was directed to notify all AFL affiliates which have endorsed this publication that, by order of the examiner, the Trade Union Courier is prohibited from:

"Representing the newspaper is endorsed by, affiliated with, sponsored by, or otherwise connected with the American Federation of Labor.

"Placing, printing or publishing any advertisement in behalf of any person or firm in the paper without a prior order of agreement to purchase the advertisement.

"Sending bills, letters or notices to any person or firm with regard to an advertisement which has been, or is to be printed for the person or firm without a bona fide order or agreement to purchase."

During any discussion of this question, it was brought out that for many years the national office of the American Federation of Labor and the Federal Trade Commission has received numerous complaints regarding the unethical and misrepresentation practices followed by this publication in its solicitation of advertising. It is the opinion of the council that such practices are harmful and injurious to the prestige and good name of the trade-union movement.

By direction of the executive council, I am therefore requesting that the (name of organization giving endorsement) consider withdrawal of their endorsement of the Trade Union Courier (date of endorsement) in order that we might be spared the embarrassment caused by the unethical methods and practices of this publication.

It is my sincere hope that we will have your cooperation in this instance.

Sincerely and fraternally,

\_\_\_\_\_  
President, American Federation of Labor.

Mr. WENTWORTH. The AFL-CIO today is aware of the evil and sly practices of these outside groups who, feigning friendship, are in fact operating to the detriment of the trade-union movement.

While feathering their own nests these vulturous concerns are doing untold damage to the excellent relationship that exists between the vast majority of organized labor and their employers.

As an example of this awareness the federation in its rules governing central bodies warns that experience has demonstrated that unscrupulous solicitors of advertisements have, on occasion, exploited the name and standing of some organizations now affiliated with the AFL-CIO, to further their own selfish ends and to the detriment of the best interest of such affiliate and organized labor generally.

For this reason, the rules state, central bodies should be careful in authorizing or permitting the solicitation of advertising.

The rule further prohibits the solicitation of any advertising in the name of the central body or for publication in any periodical, program, or other publication issued or endorsed by it, which will be in violation of such ethical standards or regulations as may be determined by the President, by regulation or otherwise.

That letter is the last, sir, and that is included for the record.

The CHAIRMAN. Very well. It may be printed in the record at this point.

(The document referred to follows:)

AMERICAN FEDERATION OF LABOR AND CONGRESS

OF INDUSTRIAL ORGANIZATIONS.

Washington, D. C., May 27, 1958.

*To the Officers of all State and City Central Bodies.*

DEAR SIR AND BROTHER: Rule 24 of the rules governing State and local central bodies provides that no central body "shall authorize or permit the solicitation of any advertising in its name or for publication in any periodical, program, or other publication issued or endorsed by it which will be in violation of such ethical standards or requirements as may be determined by the President by regulation or otherwise."

It has recently come to my attention that the trade-union movement is suffering unfavorable and adverse publicity through the actions of advertising solicitors who are not adhering to the high ethical standards which the AFL-CIO has established.

Specifically, advertising solicitors have been accepting ads for union periodicals and publications from nonunion and antiunion employers, as well as anonymous advertising from purported "friends of labor."

Obviously, advertisements from nonunion employees do not belong in a labor publication and it is just as clear that a legitimate "friend of labor" would want his signature on an advertisement he placed.

Both types of ads violate the ethical standards of the AFL-CIO. Therefore, in conformity with the intent of the rules governing State and local central bodies and in accordance with the powers vested in me, I hereby order and direct:

That all periodicals, programs, or other publications issued by, or authorized by, AFL-CIO State and local central bodies cease and refrain from—

1. Using advertisements of employers who are not 100 percent unionized by AFL-CIO unions; and

2. Using advertisements which are not signed.

This order is effective immediately.

Fraternally yours,

GEORGE MEANY, *President.*

Mr. WENTWORTH. It is my understanding that all correspondence pertaining to this matter and all available records of the AFL and the AFL-CIO have, at the request of the committee, been made available

to staff members of this committee. It is our hope that the activities of this committee will serve to end once and for all the illicit activities of the Trade Union Courier and all other publications that operate in an improper manner which have done so much to harm the trade union movement.

The CHAIRMAN. Thank you very much.

Mr. Wentworth, you close by saying "It is our hope that the activities of this committee will serve to end once and for all" these practices engaged in also by the Trade Union Courier and other publications.

Maybe this committee can highlight the evil that is associated with these sorts of practices, but apparently you folks, in good faith, have been trying to stop it now for several years and have not succeeded. I am wondering if you are prepared to submit to the committee a suggestion or recommendation with respect to legislation that might have a tendency to discourage such practices.

Mr. WENTWORTH. Sir, I am not prepared at this time to offer any suggestion.

The CHAIRMAN. I think the committee would welcome suggested remedies, legislative remedies, to deal with this sort of a racket. You have become the victim of it, or your union does, your organization, because its name is used, with the implication given out that you are endorsing and supporting it, and that the purchase of an ad in the paper will meet with the approval and possibly be appreciated by the International AFL and CIO, which is false, according to your testimony, and according to the documents you have submitted.

Mr. WENTWORTH. Yes, sir.

The CHAIRMAN. On the other hand, there are a number of citizens, business people, who are made the victims and who otherwise would not have purchased an ad, no doubt, except they thought they were favoring or in some way contributing to the welfare of the AFL-CIO.

It looks to me like it is a kind of a rotten game that ought to be stopped.

Mr. WENTWORTH. We agree, Senator.

The CHAIRMAN. I agree with the sentiments you have expressed here on behalf of the AFL-CIO. Now we are looking for a remedy, and if your organization or Mr. Meany has some suggestions, I believe the committee would be glad to receive them.

Are there any questions?

Senator ERVIN. No questions.

Mr. Wentworth, I would like to commend your organization, however, for the assistance and coming before the committee, cooperating for the committee as you are doing.

Mr. WENTWORTH. Thank you very much.

The CHAIRMAN. Call the next witness.

Mr. WALDMAN. Mr. Chairman, in connection with the question you asked the witness—

The CHAIRMAN. Wait a minute. The Chair has been pretty indulgent all morning with respect to counsel's comments. What is the purpose of counsel addressing the Chair?

Mr. WALDMAN. I address the Chair to place in the record an answer to the question that the Chair asked, that the Trade Union Courier, I am informed by their general manager, did not receive a copy of any of the letters to which the previous witness referred.

The CHAIRMAN. Well, that is information. Your statement will remain in the record, but it is not sworn testimony. I do not know whether they did receive or did not.

Mr. WALDMAN. If the Chair is interested, I proffer the sworn testimony of the general manager who is sitting here now, if the Chair wishes to have that.

The CHAIRMAN. All right. Come here a minute. We will put this in the record.

#### TESTIMONY OF BERT RADDOCK—Resumed

The CHAIRMAN. Did you receive any of these letters from the AFL-CIO regarding the practices which your organization and publication were engaged in?

Mr. RADDOCK. No, sir.

The CHAIRMAN. May I say to you that if these practices were engaged in as indicated by this testimony, it should not have been necessary for you to receive any notice.

Mr. RADDOCK. I agree with you there, sir.

The CHAIRMAN. You should have desisted from it without any notice or warning. You should never have begun it in the first place.

Senator ERVIN. Your organization of officers, however, received a copy of the complaint filed before the Federal Trade Commission, and you were acquainted in that litigation with the charges placed in that complaint, were you not?

Mr. RADDOCK. We were, sir, and in the first hearings the Trade Union Courier was completely exonerated. I don't think that this was mentioned this afternoon by Mr. Wentworth. That was skirted.

Senator ERVIN. What about the last hearing?

Mr. RADDOCK. We may get into that in the course of these hearings, sir.

I believe that this committee is very much interested in the development of both sides of the story. From us, I believe you will get the true picture, sir.

Senator ERVIN. Mr. Wentworth stated that this litigation before the Federal Trade Commission was finally taken into the court, and that the court of appeals——

Mr. RADDOCK. It was taken into court by us, sir.

Senator ERVIN. The representatives of the Trade Union Courier appealed from the ruling of the Federal Trade Commission, to the circuit court or court of appeals, and the court of appeals confirmed the judgment adverse to the Trade Union Courier.

Is that true?

Mr. RADDOCK. Yes, sir, that is, sir.

Senator ERVIN. It looks like you may have won a skirmish but you lost the war.

Mr. RADDOCK. The matter has not ended yet, sir, as far as we are concerned.

The CHAIRMAN. All right.

Mr. KENNEDY. Is this matter still in litigation before the courts and the Federal Trade Commission?

Mr. RADDOCK. Not at the moment, sir.

Mr. KENNEDY. Then there has been a final decision on it, has there not?

Mr. RADDOCK. There has been a final decision by a circuit court. But insofar as we are concerned, this matter has not ended.

Senator ERVIN. Have you applied to the Supreme Court of the United States for certiorari to review the court of appeals ruling?

Mr. RADDOCK. Not yet, sir.

The CHAIRMAN. Has the time expired?

Mr. KENNEDY. The decision came down on May 10, 1956, about 2 years ago.

The CHAIRMAN. Well, I think the time has expired for that.

Mr. RADDOCK. For justice? I don't believe the time has expired for justice, Mr. Chairman.

The CHAIRMAN. He who seeks justice must pursue it sometimes with diligence.

Mr. RADDOCK. Do you mean there is a time limit on that, on justice?

The CHAIRMAN. There is a time limit if you expect to secure it in the courts; yes. There are statutes of limitations, and there are times prescribed within which you must proceed. Otherwise, by failing to do so, you legally acquiesce in the final decision or the decision from which you could have appealed.

Mr. KENNEDY. There was some question raised at that time about the fact as to whether you were endorsed by 2,000 unions throughout the country. I noticed that your paper still states that you are endorsed by 2,000 AFL-CIO unions. Is that correct? At the present time are you, in fact, endorsed by 2,000 AFL-CIO unions?

Mr. RADDOCK. I believe your staff has all of the endorsements.

Mr. KENNEDY. You want to volunteer some things.

Mr. RADDOCK. I believe it is more than 2,000.

Mr. KENNEDY. Is the answer to the question that you are, in fact, at the present time, endorsed by more than 2,000 unions in the country?

Mr. RADDOCK. I believe it is, sir.

Mr. KENNEDY. Do you state that, unequivocally?

Mr. RADDOCK. Well, I would have to count them at the moment.

Mr. KENNEDY. Well, 2,000 or more.

Mr. RADDOCK. You must remember, sir, that, since your staff first took the contents of our files, there have been some developments in the AFL-CIO where a number of unions have been expelled. We have not been able to ascertain as yet, in the midst of all these hearings and discussions with your staff, as to what the picture is at the moment. But, give or take some, Mr. Kennedy, if it is necessary to implement the 2,000 with 2,000 more, we shall make them available to this committee.

Mr. KENNEDY. When you say give or take some, how many do you give?

Mr. RADDOCK. How many will you take, sir?

Senator ERVIN. You can't add very much to truth. That is why we are trying to find out what the truth is.

Mr. RADDOCK. Well, we have taken a great deal, Senator, up to now, but we don't intend to take this much longer. It is about time that we did something about it. I don't want to make speeches here today, but I trust, in the course of these hearings, all of this will be developed.

The CHAIRMAN. Just a moment. I hope what you have said is not intended as a veiled threat against this committee.

Mr. RADDOCK. No, sir; I am not talking about this committee. I am talking about those organizations and people who have sought to do a hatchet job on this organization.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. We might put into the record how many unions at the present time endorse this. We have Mr. Dunne here, who has made a study of the records and who has contacted the various unions.

#### TESTIMONY OF ROBERT DUNNE—Resumed

Mr. KENNEDY. Does it state on the cover of the Trade Union Courier that they are endorsed by more than 2,000 AFL-CIO unions?

Mr. DUNNE. Yes; it does.

The CHAIRMAN. Do we have copies of an issue in our files?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Let the issue he refers to, or one or more of them, be made exhibit 10, for reference, so it can be referred to, if there is any question about it.

Mr. DUNNE. Make it the December 7 issue, 1956.

The CHAIRMAN. December 7, 1956?

Mr. DUNNE. Yes, sir; because we will need it later.

Mr. KENNEDY. Was the same statement made in 1957?

Mr. DUNNE. Yes. I have seen 1958 issues. I don't have a copy.

Mr. KENNEDY. The 1958 issues also state they are endorsed by 2,000?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Let the copies you have here be made, in bulk, exhibit 10 for reference.

(The documents referred to were marked "Exhibit No 10" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. If you procure a copy of a 1958 issue having the same representation in it, it may be added to those that are included in this exhibit.

Mr. KENNEDY. Mr. Dunne, have you made a check to find out how many unions, in fact, have endorsed the Trade Union Courier?

Mr. DUNNE. Yes, sir. We took the original evidence submitted by the Trade Union Courier during the extensive hearings held by the Federal Trade Commission in 1952.

At that time, certain photostatic copies of letters of endorsement were submitted in evidence, and including group endorsements by some internationals. There was a maximum total of 3,212 unions represented. We have made demands from the Trade Union Courier for any additions or drops from that, and none have been forthcoming until this morning when, perhaps three more unions were included.

As a result of the efforts of the AFL-CIO in 1955, certain of these endorsements were withdrawn. We have tabulated the material and, as of May 1958, last month, when we completed this study, there are 2 central bodies, representing 21 unions, 1 international, representing 346 unions.

Mr. KENNEDY. What international union is that?

Mr. DUNNE. That is Charlie Johnson's section of the United Brotherhood of Carpenters, the first district.

Mr. KENNEDY. So, where that 1 group endorsed it, they give the endorsement for the whole 346?

Mr. DUNNE. There was a letter signed by Charlie Johnson which was not withdrawn; yes, sir.

Mr. KENNEDY. So, all 346 unions are under the direction of Charlie Johnson in the New York area?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. That gives them 346 because of the letter of Charlie Johnson. How many more?

Mr. DUNNE. A maximum of 50 others. Actually, about 45 of those were never contacted because we could not locate them.

Mr. KENNEDY. You had 21 unions of central bodies?

Mr. DUNNE. 21 unions represented by central bodies.

Mr. KENNEDY. How many central labor bodies are there, two?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. And they make up 21 unions?

Mr. DUNNE. That is right.

Mr. KENNEDY. So that is 346, plus 21, and then you give them as individual unions 50?

Mr. DUNNE. Yes, sir. We gave them the benefit of the doubt in every case. Where we did not contact, we assumed the endorsement still existed.

Mr. KENNEDY. So including all of Charlie Johnson, that makes a maximum of 417, then, is that right?

Mr. DUNNE. That is right, sir.

Mr. KENNEDY. And this paper states that it is officially indorsed by 2,000 AFL-CIO unions in the United States and Canada?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. This paper, from which counsel read, is the one issued dated Friday, December 21, 1956. You say you have seen the 1958 issue of the paper, and that it carries the same statement?

Mr. DUNNE. Yes, sir.

Mr. KENNEDY. We have a mimeographed breakdown on it.

The CHAIRMAN. This mimeographed breakdown you have before you is one you have compiled, have you, in investigating this matter?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. It gives the details of the unions that have given their indorsements and those that have not?

Mr. DUNNE. That is right. It compares the status as of the Federal Trade Commission hearing in 1952 with today.

The CHAIRMAN. That may be made exhibit No. 11, for reference. (The document referred to was marked "Exhibit No. 11" for reference, and may be found in the files of the select committee.)

Senator ERVIN. Your analysis of the records submitted by the Trade Union Courier tends to sustain their contention that at the time of the beginning of the proceedings before the Federal Trade Commission in 1952 they did claim, rightfully claim, the indorsement was of approximately 3,212 unions?

Mr. DUNNE. Of over 2,000; yes, Senator. The complaint was not sustained ever by the Federal Trade Commission on that point.

They were restrained from certain other activities.

Senator ERVIN. In other words, the Federal Trade Commission on that point sustained the position of the Trade Union Courier?

Mr. DUNNE. That is right.

Senator ERVIN. And the ruling was on other matters?

Mr. DUNNE. That is right, such as the methods of soliciting.

Mr. KENNEDY. The adverse rulings were on the Trade Union Courier describing itself as the official paper of the AFL.

Mr. DUNNE. That is right.

Mr. KENNEDY. They were also describing themselves as the official paper of the AFL, and the Federal Trade Commission moved against them on that, and also on certain practices that they were indulging in in order to obtain ads.

Isn't that right, Mr. Dunne?

Mr. DUNNE. That is right. The practice of billing people who had not given a firm order for an ad.

Mr. KENNEDY. We are going now into the activities of certain of the solicitors of the Trade Union Courier in obtaining ads from employers throughout the United States. I would like to call in that connection Mr. John D. Stevenson.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. STEVENSON. I do.

#### TESTIMONY OF JOHN D. STEVENSON

The CHAIRMAN. State your name, your place of residence, and business or occupation?

Mr. STEVENSON. John D. Stevenson. My residence is 264 Fairlawr Drive, Columbus, Ohio. My occupation is vice president and secretary of the Dobson-Evans Co., also of Columbus, Ohio.

The CHAIRMAN. What is that company's business?

Mr. STEVENSON. Our business is paper converters. We convert papers for schools.

The CHAIRMAN. You what?

Mr. STEVENSON. We buy a roll of paper and manufacture it into notebook fillers, writing tablets, stenographer's notebooks, and that type of work.

The CHAIRMAN. What is your connection with it?

Mr. STEVENSON. Vice president and secretary.

The CHAIRMAN. Do you waive counsel?

Mr. STEVENSON. I do.

Mr. KENNEDY. Mr. Stevenson, how many employees do you have?

Mr. STEVENSON. Approximately 100.

Mr. KENNEDY. Are you organized or unorganized?

Mr. STEVENSON. We are unorganized.

Mr. KENNEDY. Your employees are not members of any labor union?

Mr. STEVENSON. That is right, sir.

Mr. KENNEDY. Your father had been in the company?

Mr. STEVENSON. He was.

Mr. KENNEDY. He had been approached by the Trade Union Courier and took an ad?

Mr. STEVENSON. That is right, sir.

Mr. KENNEDY. He died and then you were approached in 1956 also by the Trade Union Courier?



Mr. STEVENSON. That is right.

Mr. KENNEDY. By whom were you approached at that time?

Mr. STEVENSON. I believe it was a Mr. Koota.

Mr. KENNEDY. You were approached around July of 1956?

Mr. STEVENSON. That is right.

Mr. KENNEDY. Can you tell the committee what statements or representations were made to you at that time, about taking an ad?

Mr. STEVENSON. It was a long distance call originating from New York City. The caller identified himself as being the AFL-CIO. There was a move to eliminate communism from the unions, and he suggested we take an ad to go along with the union, the national, in eliminating communism from the union.

Mr. KENNEDY. What was your reaction to that?

Mr. STEVENSON. The first reaction was to check the record and see if we had taken any ad with the organization before. We had. On the basis of their statement of who they were and what they represented, I took another ad.

Mr. KENNEDY. They stated at that time that they were in fact the official national publication for the AFL-CIO?

Mr. STEVENSON. I believe so, yes. The implication was there.

Mr. KENNEDY. So you took an ad for \$100?

Mr. STEVENSON. That is right.

Mr. KENNEDY. Did you receive any further telephone calls from Mr. Koota?

Mr. STEVENSON. We received another one in the fall of that year, requesting another ad. We had changed the policy of our organization between the time of the ad I placed in July and the fall of that year, in which we required all solicitations for advertising to clear the Better Business Bureau. We so stated or I so stated to the gentleman on the phone, that it was necessary for that to happen.

That was the last of the phone conversation, and about a week later we received a galley proof and started receiving bills.

Mr. KENNEDY. You mean you told him you were not going to take an ad and he sent you in a bill anyway?

Mr. STEVENSON. That is right.

Mr. KENNEDY. That was one of the specific practices that was ruled on by the Federal Trade Commission, Mr. Chairman. The Federal Trade Commission found that this organization, the Trade Union Courier, was billing individuals, even though they did not take an ad.

You found that this happened to you in 1956?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. You told them you did not want an ad and they sent a bill in anyway?

Mr. STEVENSON. That is right.

Mr. KENNEDY. Did you hear from them again after they sent the bill in?

Mr. STEVENSON. Quite a few times we received quite a few letters and statements, and received some phone calls in regard to the payment of the bill.

Mr. KENNEDY. Did you have a telephone conversation with him that you recorded yourself?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. Did you have such a telephone conversation?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. Is this when they called back and said they wanted their money?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. You have turned that over to the committee?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. All right.

The CHAIRMAN. Has that been transcribed?

Mr. KENNEDY. Yes.

The CHAIRMAN. Do you have a transcription of it?

Mr. STEVENSON. I turned it over to the committee.

The CHAIRMAN. Would you check this document and see if it is an accurate transcription of the recording you made?

(The document was handed to the witness.)

The CHAIRMAN. That is a recording of the time you were called and asked to pay the bill.

Mr. STEVENSON. It appears to be the correct item, sir. I have not checked the whole thing.

The CHAIRMAN. Well, look at it until you are satisfied.

Mr. STEVENSON. Yes, this is it.

The CHAIRMAN. The staff has the machine set up and the recording.

You follow it as it is played and testify as to the accuracy of it. It may be printed into the record at this point if you say it is accurate.

All right, proceed.

(A tape recording was played at this point.)

Mr. KENNEDY. Mr. Stevenson—

The CHAIRMAN. Did you follow the record as it was played?

Mr. STEVENSON. I did, sir.

The CHAIRMAN. Is the transcription that you have before you accurate?

Mr. STEVENSON. Yes, sir.

The CHAIRMAN. It may be printed in the record at this point.

(The transcription referred to follows:)

MAN'S VOICE. Hello.

WOMAN'S VOICE. Mr. Stevenson?

MAN'S VOICE. Speaking.

WOMAN'S VOICE. One moment please, sir.

One moment for Mr. Koota, sir; they're trying to get him.

(Inaudible voices in background.)

WOMAN'S VOICE. Thank you, Mr. Koota. One moment please.

Mr. STEVENSON. Ah—what company is this, ma'am?

WOMAN'S VOICE. Oh, it's personal call, sir.

Mr. STEVENSON. Oh—oh, O. K.

(Mr. Stevenson away from phone: "Mr. Koota's a personal call.")

(Inaudible voices in background on receiving end.)

MAN'S VOICE. Yeah.

WOMAN'S VOICE. (Inaudible.)

MAN'S VOICE. Hello.

Mr. STEVENSON. Hello.

MAN'S VOICE. Mr. Stevenson?

Mr. STEVENSON. Yes, sir.

MAN'S VOICE. Stevenson—Dave Koota, with the Courier of the American Federation of Labor unions. How are you, Mr. Stevenson?

Mr. STEVENSON. Oh, fine. And you, sir?

Mr. Koota. Good. And how are things coming along?

Mr. STEVENSON. Oh, pretty good.

Mr. Koota. Anything I can do for you?

Mr. STEVENSON. No. I think everything is under control.

Mr. KOOTA. Fine. I'll tell you what I called you for, Stevenson. I've been away for a few months. I just happened to get back and they tell me that little ad you took in November, Stevenson, you haven't paid for as yet.

Mr. STEVENSON. Uh uh.

Mr. KOOTA. What did you do, overlook it?

Mr. STEVENSON. No, we haven't overlooked it.

Mr. KOOTA. Uh uh.

Mr. STEVENSON. Ah—had consultation with the local Federation of Labor, also Better Business Bureau, and the Federal Trade Commission.

Mr. KOOTA. Uh uh.

Mr. STEVENSON. And—ah—I think we're going to continue to overlook it.

Mr. KOOTA. You are, huh?

Mr. STEVENSON. Yes, sir.

Mr. KOOTA. I don't think it's fair, Stevenson. Whatever they told you was just a lot of lies, that's all. What could they have told you, Stevenson, that could prevent you from sending in the money? Something that you have obligated yourself for. I mean it isn't just right for you to tell me those things. You have to know a little more, Stevenson. What could they have told you, Stevenson?

Mr. STEVENSON. Well, we just read the Federal Trade Commission report is all.

Mr. KOOTA. Right. Did you read the Federal Trade Commission report?

Mr. STEVENSON. Yes, sir.

Mr. KOOTA. Did you understand it thoroughly?

Mr. STEVENSON. Oh, I think so.

Mr. KOOTA. All right; now, if you understood it thoroughly then you'd know one thing, Stevenson, that we for a period of 5 years went on trial with that case and at the end of the case they said that the Trade Union Courier is officially endorsed by the American Federation of Labor, and the Trade Union Courier is the finest labor paper in the world. That was the decision given by the Federal Trade Commission. The American Federation of Labor right after that picked it up and appealed the case. They didn't like the decision that was handed down, and it was kicked around for 2 more years in order to give the American Federation of Labor some hand—something—they had to give them something so they could drop the matter completely. So they said the Trade Union Courier is to stop saying that they are the American Federation of Labor.

Now, Stevenson, it's only a little bit of a technicality that don't mean anything at all. There isn't any newspaper in this world—there isn't one in this world that is put out by the American Federation of Labor. Did you know that, Stevenson?

Mr. STEVENSON. No, sir.

Mr. KOOTA. There isn't a paper in the world that's put out by the American Federation of Labor. Every paper that's put out is endorsed by the American Federation of Labor unions. That's what it is. You've probably had hundreds of people come to you, your local people, and say, "We're the American Federation of Labor." They are completely wrong, because nobody is the A. F. of L.

Thus, when I talk to you, Stevenson, I tell you this is the Trade Union Courier, American Federation of Labor unions. I do not say I'm the American Federation of Labor.

So, what they did is, they picked up that little technicality, because nobody is the A. F. of L. and they said—and in the final analysis on the appeal, the American Federation of Labor says to the Trade Commission that we cannot say we're the A. F. of L. which we have never done before. We've been publishing a paper for 20 years, Stevenson, and the paper will be published long after you and I are gone because it is the finest labor paper in the world. So everything—when you say to me Federal Trade Commission—if you read it properly you can see, Stevenson, that we have been harassed for 6 years at a tremendous cost to fight for something which we thought was absolutely right and we came out on top in the clear. That's what it amounts to.

These things are being misinterpreted all the way through. Every one of them, because what they're trying to do is this. After all, Stevenson, any organization that becomes big makes a lot of enemies. I don't care who it is or what it is. As you grow you make enemies, because the little fellow begins to look upon you with scorn, and they say, "These guys, damn the guy, who the hell are they that they should be so big." And they get together and they try to figure out, "Well,

how can we hurt them?" And they go and use every conceivable method to hurt you.

It'll happen to the biggest companies. But yet they keep on going; they push those things aside. Sure, Stevenson, we've lost a few of our friends. Mind you, I only say a few.

Mr. STEVENSON. Uh nh.

Mr. KOOTA. People that just didn't go further but just simply were being influenced. But I'll tell you this, Stevenson, that 99 percent of our people have stuck with us because they know exactly what it means. So when some business manager or some newspaper salesman comes to you from Columbus and tells you not to do anything with the Trade Union Courier and flaunts that Trade—Federal Trade Commission decision in front of your place and goes ahead and makes you misunderstand the whole thing, here is the motive: Either the business manager has a piece of the newspaper and wants to be sure that he gets it all for himself, or some salesman who don't care what methods he uses, comes along and says, "Why give it to the Trade Union Courier? They're just a lot of phonies. Here's the—here's the decision by the Trade—by the Federal Trade Commission." And he tries to influence you to give it to him.

But if we weren't as big as we are, Stevenson, would the American Federation of Labor go through so much time and have such prominent men go on the stand to testify against the Trade Union Courier if we weren't something of importance, Mr. Stevenson?

Mr. STEVENSON. Well, I couldn't answer that, be——

Mr. KOOTA. Seriously, would they take their time out and bother and take big men that have traveled all over the country to appear as witnesses unless we were something of importance, Stevenson? I mean, wouldn't your commonsense tell you that we had to be important for them to do something like that?

Mr. STEVENSON. Well, if somebody had a thorn in their side, they quite possibly might do all that.

Mr. KOOTA. Not a thorn in their side. The only thorn in their side is one thing—that a lot of these business managers in some of these cities have had a good thing for many years. They've had a piece of these newspapers—you probably—what you read in the paper today, Stevenson, about all this racketeering in labor. Sooner or later other things will be coming up, but you'll find that these business managers have had a good piece of that paper for years and have made a hell of a lot of money with it and they never like to have anybody else come in that's going to spoil their thing. That's what it is, Stevenson.

Mr. STEVENSON. Well, that's the way it's going to be with us.

Mr. KOOTA. What's that?

Mr. STEVENSON. Huh? Nonpayment.

Mr. KOOTA. You're not going to pay for it?

Mr. STEVENSON. No, sir.

Mr. KOOTA. O. K., my friend. Thanks for your time.

Mr. STEVENSON. Thank you.

Mr. KENNEDY. This was a bill that was sent into you?

Mr. STEVENSON. That was on the one that we did not give them the order.

Mr. KENNEDY. They sent the bill in anyway?

Mr. STEVENSON. Yes, sir.

Mr. KENNEDY. This conversation came after they had written a number of letters?

Mr. STEVENSON. That is right.

Mr. KENNEDY. While Mr. Stevenson is still here, Mr. Chairman, I would like to call Mr. Koota.

The CHAIRMAN. Come forward, Mr. Koota.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KOOTA. I do.

**TESTIMONY OF DAVID KOOTA, ACCOMPANIED BY COUNSEL,  
JEROME LEWIS**

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. KOOTA. David Koota, 1615 Avenue I, Brooklyn, N. Y., salesman for the Trade Union Courier.

The CHAIRMAN. You are what?

Mr. KOOTA. A salesman for the Trade Union Courier.

The CHAIRMAN. Do you have counsel with you?

Mr. KOOTA. Yes, sir.

The CHAIRMAN. Identify yourself.

Mr. LEWIS. Jerome Lewis, 66 Court Street, Brooklyn, N. Y.

Mr. KENNEDY. How long have you worked for the Trade Union Courier?

Mr. KOOTA. Approximately about 14 years.

Mr. KENNEDY. What are the financial arrangements that you have with them?

Mr. KOOTA. 30 percent commission.

Mr. KENNEDY. Of all the ads?

Mr. KOOTA. Of everything I sell.

Mr. KENNEDY. Do you do it all by telephone calls?

Mr. KOOTA. Most of it; yes.

Mr. KENNEDY. Most all of it?

Mr. KOOTA. Yes.

Mr. KENNEDY. Does it happen very often, Mr. Koota, that you put in ads without getting approval of the individual as to whether he wants an ad or not?

Mr. KOOTA. I never do.

Mr. KENNEDY. Mr. Stevenson says that that is what happened in this case.

Mr. KOOTA. I can remember Stevenson, he is a fine gentleman and I don't want to get into a discussion with him. There might have been a misunderstanding. But I never send out an authorization unless people have authorized to buy it. They never get a confirmation otherwise.

Mr. KENNEDY. Do you say Mr. Stevenson is mistaken?

Mr. KOOTA. I wouldn't say he was mistaken. There might be a misunderstanding somewhere, but it was never sent out unless it was authorized.

Mr. KENNEDY. How could it be a misunderstanding without somebody being mistaken on it?

Mr. KOOTA. I don't know. Sometimes people misunderstand one another.

Mr. KENNEDY. Did you misunderstand him, Mr. Stevenson?

Mr. STEVENSON. The only thing I would say is that I did not place an order.

Mr. KENNEDY. There was no question that you did not place an order?

Mr. STEVENSON. I did not place one.

Mr. KENNEDY. That was because you had talked with the better business bureau?

Mr. STEVENSON. We had had a policy change in our corporation in which all advertisements had to be approved by the better business bureau. We were following that.

Mr. KENNEDY. Mr. Koota?

Mr. KOOKA. I can only tell you this, Mr. Kennedy. I never send any confirmation out unless I get a definite O. K. from a person.

Mr. KENNEDY. Mr. Koota, did your brother work for the Trade Union Courier?

Mr. KOOKA. Yes.

Mr. KENNEDY. What was his name?

Mr. KOOKA. Richard Koota.

Mr. KENNEDY. How long has he worked for the Trade Union Courier?

Mr. KOOKA. Well, he started there about the same time I did. I know he left several times and came back. I don't know exactly what the times would be.

Mr. KENNEDY. Had you both been in the penitentiary for swindling, just prior to the time you came to work for the Trade Union Courier?

Mr. KOOKA. I can't speak for him. I was.

Mr. KENNEDY. And don't you know that he was also, that he came out of the penitentiary to go to work for the Trade Union Courier?

Mr. KOOKA. Yes.

Mr. KENNEDY. Is he still working for the Trade Union Courier?

Mr. KOOKA. No, sir.

Mr. KENNEDY. Where is he working now?

Mr. KOOKA. I don't know.

Mr. KENNEDY. Does he also use the name Rogers?

Mr. KOOKA. Yes, sir.

Mr. KENNEDY. Isn't he working for the International Labor Record now?

Mr. KOOKA. I wouldn't know.

Mr. KENNEDY. Didn't he found that paper, the International Labor Record?

Mr. KOOKA. Did he? I wouldn't know.

Mr. KENNEDY. But he does use the name Rogers; does he not?

Mr. KOOKA. Yes. That I know.

Mr. KENNEDY. Would you recognize his voice, Mr. Koota, if you heard it?

Mr. KOOKA. Do you mean on a recording?

Mr. KENNEDY. Yes.

Mr. KOOKA. I may not.

Mr. KENNEDY. Mr. Chairman, we have learned or ascertained that his brother is now working for the International Labor Record, which does not have anything to do directly with the Trade Union Courier. But Mr. Koota's brother did work for the Trade Union Courier, and there was another conversation that Mr. Stevenson had with the other Mr. Koota. We have been looking into the operation of some of these papers and magazines generally, and I think it would be helpful to understand the whole problem if we also played this recording that Mr. Stevenson took.

The CHAIRMAN. Do you have a transcription of the recording?

Mr. KENNEDY. Yes, sir; we do.

The CHAIRMAN. Mr. Stevenson, you follow the transcript as the recording is played. You can verify at the conclusion of it whether it is accurate. That is, whether the transcription is accurate.

All right, proceed with the record.

(At this point, a tape recording was played.)

The CHAIRMAN. All right, Mr. Stevenson, do you recognize this transcription as the transcription of the recording you had with Mr. Rogers?

Mr. STEVENSON. Yes, sir.

The CHAIRMAN. It may be printed in the record at this point.

(The document referred to follows:)

MAN'S VOICE. This is Mr. Rogers with the International Labor Record, the American Federation of Labor. How are you.

Mr. STEVENSON. Fine. And you?

Mr. ROGERS. I called to thank you very much for the help you have been giving us in the A. F. of L. Can I do something for you?

Mr. STEVENSON. No, sir; I don't believe so.

Mr. ROGERS. Well, I don't mind telling you the records show that you been a pretty good friend of ours.

Mr. STEVENSON. Umhuh.

Mr. ROGERS. I have been through your neighborhood here about 2 weeks ago and I talked to some of the boys out there and they hand me a report that you are regarded as a good friend of organized labor. Did you know that?

Mr. STEVENSON. No, sir; I did not.

Mr. ROGERS. Not that's its going to make any money for you but (inaudible).

Mr. STEVENSON. Well, thank you.

Mr. ROGERS. May I—may I kind of tell you this, Mr. Stevenson, that if there isn't anything that I can do for you today, would you please just accept the invitation that any day, week, month that there's anything you ever need or want, would you just ask for it?

Mr. STEVENSON. All right, sir. Will do.

Mr. ROGERS. Mr. Stevenson, I don't know whether you happened to see this in the papers, but this happened just the other day. We passed a resolution down at headquarters that we will not permit any more strikes throughout the United States of America. What do you think about that?

Mr. STEVENSON. Aw—that would be interesting to see. Westinghouse has got a nice one here in town right now.

Mr. ROGERS. What's that?

Mr. STEVENSON. Westinghouse has a nice one here in town right now.

Mr. ROGERS. Oh, yes. Now that's what brought it about. We're having too many strikes and down at the meeting just—this happened just the other day. It was decided that we discontinue strikes throughout the United States. The policy now will be: We're going to make an appeal to the workers that they give you fellows an honest day's work for an honest day's pay, and we're going to ask you people, the bosses, to respect the rights of the workers. That's only fair.

Mr. STEVENSON. Umhuh.

Mr. ROGERS. And in the event of a disagreement we're going to adopt a policy of arbitration, mediation and conciliation. No more walking off the job.

Mr. STEVENSON. I see.

Mr. ROGERS. Mr. Stevenson, we're spending \$2½ million to put this thing over. We don't mind spending the 2½ because we'll get it back—

Mr. STEVENSON. Umhuh.

Mr. ROGERS. And before we get it back you people have got to make it first.

Mr. STEVENSONS Umhuh.

Mr. ROGERS. But I assure you, Mr. Stevenson, that I'm going to quote now from one of your top men in America, Mr. Bernard Baruch, who claims that due to our program the next 5 years will bring more prosperity than we've ever seen before in the history of the country.

Mr. STEVENSON. Humm.

Mr. ROGERS. And I'm proud to say that I'm part of the movement.

Mr. STEVENSON. Umhuh.

Mr. ROGERS. Mr. Stevenson, there isn't any question in our mind that if we can get the men to work, let's say diligently, keep production going smoothly,

the time will come when we can begin to lower the cost of production, and you people want that just as much as we do. Mr. Stevenson, in order to do the job we're contacting both organizations, A. F. of L.-CIO, and we're going to take the International Labor Record. The paper will contain the editorials, the copy which will explain to the workers what they must do in order to get rid of strikes in America.

Mr. STEVENSON. Umhuh.

Mr. ROGERS. In this paper, Bill, we've prepared a piece of copy for you. Underneath the copy we do not show your name. Can you hear me?

Mr. STEVENSON. Yes, sir.

Mr. ROGERS. Which means that you're not going to make a red cent out of this, Bill, but we ask you to do it for two reasons: No. 1, do it because you're a good friend of ours; No. 2, you fellows don't want strikes, do you?

Mr. STEVENSON. Nope.

Mr. ROGERS. Because I—I assure you, Bill, that if our program is successful by 85 percent, I'm almost positive that you and I can retire within a period of 5 years from today.

Mr. STEVENSON. That sounds good.

Mr. ROGERS. Let me ask you this, Bill. How come that you never called us for any favors?

Mr. STEVENSON. I haven't felt it was necessary.

Mr. ROGERS. Well, I'm glad to hear that. May you never call me, Mr. Stevenson—

Mr. STEVENSON. Umhuh.

Mr. ROGERS. But may I tell you this: that if the time comes and you have an occasion to call me, if I do only half as well for you as I've done for my friends throughout the United States, when the Christmas holidays come around don't forget I smoke good cigars.

Mr. STEVENSON. (Laughter) All right.

Mr. ROGERS. Let me ask you this, Bill, how many people now do you employ?

Mr. STEVENSON. Ah—I don't know. This is our peak period—

Mr. ROGERS. Oh.

Mr. STEVENSON. And I'm not sure what that is right now.

Mr. ROGERS. Just about roughly. I just want to see whether it coincides with my figures.

Mr. STEVENSON. Ah, around a hundred.

Mr. ROGERS. Well, the boys gave me a hundred and forty. Where did they get that from?

Mr. STEVENSON. Well, that's—that might be, counting everybody else.

Mr. ROGERS. Well, I was out in Columbus, that's when I was out there.

Mr. STEVENSON. Umhuh.

Mr. ROGERS. But one thing I am happy to tell you, Bill, that the boys out there gave me a report saying that Mr. William A. Stevenson is a recognized friend of organized labor. Keep it that way for 5 more years, Mr. Stevenson.

Mr. STEVENSON. Well, now, wait a minute. You got the wrong Stevenson.

Mr. ROGERS. Why?

Mr. STEVENSON. Mr. W. A. Stevenson died a year ago last April.

Mr. ROGERS. Yeah. This is Bill, isn't it?

Mr. STEVENSON. No. Bill died a year ago in April, and a—

Mr. ROGERS. This is Mr. Stevenson?

Mr. STEVENSON. My name is Stevenson also.

Mr. ROGERS. Listen, Mr. Stevenson, let me give you the prices on this. Do the best you can, will you please?

Mr. STEVENSON. Well the—we've got a—the board of directors here has issued a policy that all advertising that we do has to be cleared by them.

Mr. ROGERS. By whom?

Mr. STEVENSON. Our board of directors. So if you want to send in a request, a written request outlining everything, I'm sure we can take it up with them and see what they say.

Mr. ROGERS. Let me ask you this, Mr. Stevenson.

Mr. STEVENSON. Yes.

Mr. ROGERS. Can you do anything by yourself?

Mr. STEVENSON. No, sir.

Mr. ROGERS. You can't.

Mr. STEVENSON. No, sir.

Mr. ROGERS. Who is the man that knows the Courier, because I do happen to know that—that you fellows placed an ad with the Trade Union Courier.



Mr. STEVENSON. Ah—Mr. Williams.

Mr. ROGERS. Oh, this is Mr. Williams.

Mr. STEVENSON. Mr. Williams or Mr. Wycliff.

Mr. ROGERS. Oh, well, I didn't know that. Is Mr. Williams there now?

Mr. STEVENSON. No, he is not. They are both out; they will both be back in Monday.

Mr. ROGERS. That's Mr. Williams and who?

Mr. STEVENSON. Wycliff.

Mr. ROGERS. Thanks very much, Mr. Stevenson.

Mr. STEVENSON. Thank you.

The CHAIRMAN. Mr. Koota, did you recognize his voice?

Mr. KOOTA. I can definitely say it is not mine, because I never use terms of that kind.

The CHAIRMAN. It wasn't alleged to be yours.

Mr. KOOTA. I beg your pardon?

The CHAIRMAN. It is not alleged to be your voice.

Mr. KOOTA. I really would not know.

The CHAIRMAN. You didn't go under the name of Rogers?

Mr. KOOTA. I did for a short period of time.

The CHAIRMAN. You did?

Mr. KOOTA. Yes, sir.

The CHAIRMAN. Well, at this particular time, were you going under the name of Rogers?

Mr. KOOTA. No, sir.

The CHAIRMAN. Do you recognize your brother's voice in that much conversation?

Mr. KOOTA. It could sound possible. From this telephone recording here——

The CHAIRMAN. What do you mean it could sound possible?

Mr. KOOTA. It sounds familiar. That is about all. But I could not say definitely.

The CHAIRMAN. As whose voice?

Mr. KOOTA. It might be my brother's voice and it might not. I can't be too sure.

The CHAIRMAN. Well, I will not press you any further.

Proceed.

Mr. KENNEDY. Mr. Chairman, I might say that Mr. Dunne can offer some enlightenment on the question of whose voice this is.

#### TESTIMONY OF ROBERT DUNNE—Resumed

Mr. DUNNE. We obtained information from District Attorney Hogan's office in New York County. They were conducting an investigation of the International Labor Record in New York City, and they informed me that Mr. Rogers operating out of that office was Dick Koota.

The CHAIRMAN. All right.

Mr. KENNEDY. That is all of Mr. Stevenson.

The CHAIRMAN. Thank you very much, Mr. Stevenson.

#### TESTIMONY OF DAVID KOOTA—Resumed

Mr. KENNEDY. Mr. Koota, did you know when you contacted Mr. Stevenson that his employees were not even members of a labor organization?

Mr. KOOTA. I would not remember that.

Mr. KENNEDY. You never checked out those things at all?

Mr. KOOTA. No, sir.

Mr. KENNEDY. Did you tell these firms when you called them that you understood that they were good friends of the A. F. of L.-CIO?

Mr. KOOTA. I might have. I don't remember whether I did or not.

Mr. KENNEDY. What information would you have for making such a statement?

Mr. KOOTA. I don't quite follow you on that.

Mr. KENNEDY. What information would you have when you told these individuals or these officers in these firms that you understood that they were good friends of labor unions?

(The witness conferred with his counsel.)

Mr. KENNEDY. I think he knows that, counsel.

Mr. LEWIS. Except that you are misquoting what he said. He said he doesn't remember making the statement.

Mr. KENNEDY. I am just asking a question.

Mr. LEWIS. He said a moment ago he doesn't remember making the statement, and now you have turned around and asked on what basis he made that statement.

Mr. KENNEDY. Could I have the answer read?

(The pending answer was read by the reporter, as requested.)

The CHAIRMAN. What is the question?

Mr. KENNEDY. Did you in fact tell them that you understood they were good friends of the AFL-CIO?

Mr. KOOTA. I don't remember saying it.

Mr. KENNEDY. Do you deny that you said it?

Mr. KOOTA. I wouldn't deny that I said it. I just don't think—

Mr. KENNEDY. Do you think it is possible that you said it?

Mr. KOOTA. It might be possible. I don't know.

Mr. KENNEDY. How would it be possible for you to say it if you didn't even check to find out if their employees were members of labor organizations?

Mr. KOOTA. A lot of people that I called were people that I have gotten from other labor papers. In other words, I at one time got hold of a paper from Columbus, Ohio, a labor paper there, and I might have called the people from that labor paper. They took an ad in the local labor paper there, so I assumed that they were friendly toward labor. That is all.

Mr. KENNEDY. Did you tell people that you had friends in the right places? Did you tell people things like that?

Mr. KOOTA. I don't ever remember saying that.

Mr. KENNEDY. Do you deny that you have said that?

Mr. KOOTA. I wouldn't deny it.

Mr. KENNEDY. Mr. Chairman, we have another recording here which Mr. Dunne will introduce, based on an affidavit. Again, these are recordings taken by the recipient of the telephone calls.

Here is an affidavit from the individual who got the call, Mr. Chairman.

The CHAIRMAN. This affidavit is from Mr. Youngblood.

Mr. KENNEDY. He is with the Southern Steam Co., and he makes jail and prison equipment.

The CHAIRMAN. In San Antonio, Tex.

This affidavit may be made exhibit No. 12, for reference. (The document referred to was made exhibit No. 12 for reference and may

be found in the files of the select committee.) The pertinent parts are:

I am president of the Southern Steel Co., which company constructs jails, prisons, and prison equipment. As we have many conversations with our salesmen, contractors, architects, engineers, and others, which conversations are material to the transaction of our business, it being important that we have an accurate record of such conversations, I have procured a dictaphone which is attached to the telephone for recording these business conversations. The conversation with a man who called himself Dave Koota was recorded by this process.

I had never heard of Mr. Koota, and I had no idea whatsoever as to what would be the substance of his conversation.

In this affidavit he states that he has turned over that recording to the committee. That will identify the recording, the affidavit will.

You may proceed to play the recording.

(At this point, a tape recording was played.)

The CHAIRMAN. I followed this transcript with the record. The Chair states that it is accurate. In view of the affidavit of the man who participated in the conversation and recorded it, it may be printed in the record at this point.

(The document referred to follows:)

CONVERSATION BETWEEN HULL YOUNGBLOOD, SR., AND DAVE KOOTA, WHO  
CALLED MARCH 13, 1958, 10:45 A. M.

——— is on the line.

OPERATOR. Is this Mr. H. Youngblood, Sr.?

Mr. YOUNGBLOOD. Yes.

OPERATOR. Thank you.

Mr. YOUNGBLOOD. Who is Mr. Koota?

Mr. KOOTA. Hello.

Mr. YOUNGBLOOD. Hello. Youngblood, Sr.

Mr. KOOTA. Youngblood, this is Dave Koota, with the Courier, the American Federation of Labor unions.

Mr. YOUNGBLOOD. Uhuh.

Mr. KOOTA. How are you, Mr. Youngblood?

Mr. YOUNGBLOOD. All right.

Mr. KOOTA. Fine. Anything I can do for you?

Mr. YOUNGBLOOD. I don't think so; not that I know of.

Mr. KOOTA. Well, I say it for one reason, Mr. Youngblood, because we've always regarded you a friend.

Mr. YOUNGBLOOD. Well, I think we are.

Mr. KOOTA. Youngblood, you know we've had our big convention. At the convention there was one very important thing came up that we are going to work on, and that is to get Communists out of organized labor.

Mr. YOUNGBLOOD. Huh, Huhmmmm.

Mr. KOOTA. What do you think of it?

Mr. YOUNGBLOOD. Well, I think—ah—I think they—they—I think that's the element that has given you the trouble.

Mr. KOOTA. Definitely. I'll tell you this, Youngblood. It's gotten to a point now where not only did those Communists get into labor, they've gotten into our schools, our churches, and even into our State Department.

Mr. YOUNGBLOOD. Uhuh.

Mr. KOOTA. And unless we do something, Youngblood, it's going to affect us all in a big way.

Now, Youngblood, you've always rated a friend, and if there's anything at all that I could ever do for you, I'll always work with you 100 percent. Now, Hull, all of our good friends in management, those we have always respected, are working along with us. They're taking a space in our big convention paper to help us out with the expense, but I want you to know this, Hull, that if I ask you to take a little money out of your pocket to help me, the time will come when I'll prove to you, Hull, that we've got darn big pockets ourselves.

I'll always work a favor back to you in dollars and cents, and when I do, Hull, you'll find that it's good to have friends in the right places. Do I make myself clear, Hull?

Mr. YOUNGBLOOD. Yeah.

Mr. KOOTA. Will you work with me, Hull?

Mr. YOUNGBLOOD. What—in what way do you want me to do it?

Mr. KOOTA. We want you to sponsor a piece of anti-Communist copy in our convention paper. We're going to spend a lot of money on this, Hull, and I don't mind telling you that our good friends, those we have always respected, are behind us.

Hull, I'll tell you what the copy is that we've prepared for your company. Would you be interested in hearing, Hull?

Mr. YOUNGBLOOD. Well, I'll tell you what I'd rather you do, if you will. As a matter of fact, this is a thing that really is something that I don't ordinarily attend to; we—these matters of this kind.

Can't you send me a transcript of what you want us to sponsor? And you can tell me now about what the cost is?

Mr. KOOTA. Hull, the only reason I called you by phone instead of sending you a letter, Hull, is because my executive committee is setting everything up, and we're going to go to press. Otherwise, I would have sent you a letter, Hull, and I would have saved myself the expense of the call; and I'll tell you this, Hull, if it weren't for that fact—

Mr. YOUNGBLOOD. Well, how much does it cost, Koota?

Mr. KOOTA. I'll give you this—I'll give you the copy that's being used, Hull, and let me know what you think of it.

Mr. YOUNGBLOOD. All right.

Mr. KOOTA. The caption on this says "It Can Happen Here."

"There are approximately 55,000 official members of the Communist Party in the United States. There are thousands of additional members whose names are not carried on the party rolls because, acting as disciplined fifth columnists of the Kremlin, they have wormed their way into key positions in Government offices, trade unions, and other positions of public trust. These people are working day and night to overthrow your Government. The average American says, 'It can't happen here,' but there were millions of other complacent men and women in the countries all over the globe who said the same thing and lived to see their nations communized. These are either dead or living in Communist slavery. There is no longer enough to say, 'It can't happen here'—we must not let it, here.—Sponsored by Hull Youngblood or the Southern Steel Co."

That's the copy. What do you think of it, Hull?

Mr. YOUNGBLOOD. Well, it—just to read it—I mean have you read it to me, it sounds all right.

Mr. KOOTA. That's exactly what it is, Hull.

Mr. YOUNGBLOOD. What do you think it's—what's the cost?

Mr. KOOTA. They're going to be put up in different sizes, Hull. These copies run from a thousand dollars a full page—they run down proportionately to \$600 the half a page, \$350 the quarter of a page, and \$200 the eighth of a page, and a hundred the complimentary, Hull.

Mr. YOUNGBLOOD. Yeah.

Mr. KOOTA. If I might make a suggestion to you, Hull, people like yourself are taking a quarter of a page.

Mr. YOUNGBLOOD. And how much is a quarter of a page?

Mr. KOOTA. \$350, Hull.

Mr. YOUNGBLOOD. Well, now—as I told you, we have a little—every Tuesday morning—I don't know how we're going to work this thing. We have a little rule here in our business that on all matters like this, that every Tuesday morning we go over the list of things that we are asked to contribute to.

Mr. KOOTA. Only thing is, one trouble, Hull. I'll interrupt at this particular time, Hull, but, as I told you, the only reason for the call was that we're going to go to press, and I'll tell you this, Hull.

There's always been damn nice things said about you and your organization, because you'll find, Hull, that I don't like to ask you to do these things. I would have rather done you 10 favors than ask 1, because it's a thankless job and a miserable job, at its best. But I don't mind coming to a fellow like you, Hull, because I know that one of these days I'm going to be in a position to do you some good, and when I do, Hull, you'll always get the best of it because you'll always get a dollar back for every nickel you spend with me.

Mr. YOUNGBLOOD. Well, now——

Mr. KOOTA. Hull Youngblood, I'll never forget a friend.

Mr. YOUNGBLOOD. Well, now let me tell you what—I'll see if I can't pull this crowd together this afternoon or in the morning, and wire you.

Mr. KOOTA. Hull, you know I'm due to be—I'm due to be in Washington. As a matter of fact, I'm just staying here finishing up a few things.

Mr. YOUNGBLOOD. Well, what—tell me again what you told me in the beginning. What is the—who is the organization you represent?

Mr. KOOTA. It's the American Federation of Labor-CIO unions, Hull.

Mr. YOUNGBLOOD. American Federation of Labor-CIO unions?

Mr. KOOTA. That's right. And it's going to be a—[inaudible]—convention paper.

Mr. YOUNGBLOOD. And what—what are your initials?

Mr. KOOTA. Dave. The first name is Dave. Dave Koota.

Mr. YOUNGBLOOD. How do you spell it?

Mr. KOOTA. K-o-o-t-a, Hull.

Mr. YOUNGBLOOD. K-o-o-t-a?

Mr. KOOTA. That's correct.

Mr. YOUNGBLOOD. What's your address?

Mr. KOOTA. Pardon me?

Mr. YOUNGBLOOD. What is your—what address in New York?

Mr. KOOTA. 145 East 32d Street.

Mr. YOUNGBLOOD. 145 East 32d?

Mr. KOOTA. That's correct.

Mr. YOUNGBLOOD. What do they call this—this—the paper?

Mr. KOOTA. It's the Courier, Hull.

Mr. YOUNGBLOOD. The Courier?

Mr. KOOTA. That's correct.

Mr. YOUNGBLOOD. Well, I'll tell you what I'll do. I'm—as I said this is things that I don't ordinarily mess with. I can't possibly do anything on it, Koota, until—at the earliest, this afternoon.

Mr. KOOTA. Hull.

Mr. YOUNGBLOOD. Yeah?

Mr. KOOTA. I'm asking you to make an exception for me, Hull——

Mr. YOUNGBLOOD. I can't do it.

Mr. KOOTA. Because if you ever came to me——

Mr. YOUNGBLOOD. Well, I'm on the tele—I'm on the—I've got—I'm working for this company, just exactly like you're working for that paper. I've got certain obligations——

Mr. KOOTA. Ah, come on, Hull.

Mr. YOUNGBLOOD. And I'm—I——

Mr. KOOTA. If you're going to tell me things like that, Hull, it don't make sense to me. You are the Southern Steel Co., Hull, and if you want to work with me—good enough, Hull. But I mean—I want you to level with me, because I'll always level with——

(End of belt No. 1.)

(Beginning of belt No. 2:)

Mr. YOUNGBLOOD. With contributions and criticisms later, and we had an understanding, and I can't violate that because I made the rule and I agreed to abide by it, and I—the—all I can do——

Mr. KOOTA. Hull, this is one favor; that's all.

Mr. YOUNGBLOOD. I can't—you just might as well save your money. I can't do it, unless and until I can at least get this crowd together after lunch. I can wire you this afternoon and let you know whether I can or not, but that's the best I can do.

Mr. KOOTA. Will you call me back by telephone, Hull?

Mr. YOUNGBLOOD. I'll either call you or wire you. I got—I wrote your address down. I can do it one way or the other. If I say yes, to the tune of \$350; that's what you're talking about, isn't it?

Mr. KOOTA. Yeah. Well, I've got to complete—if you can't do 350, you can do 200.

Mr. YOUNGBLOOD. Well, I'll talk with them, and I will communicate with you this afternoon, either by telegram or by long distance.

Mr. KOOTA. O. K. You have—you want to mark my phone number down, Hull?

Mr. YOUNGBLOOD. Yeah.

Mr. KOOTA. It's Oregon 9—

Mr. YOUNGBLOOD. Oregon, what?

Mr. KOOTA. Oregon 9—

Mr. YOUNGBLOOD. Yeah?

Mr. KOOTA. 3600.

Mr. YOUNGBLOOD. 3600?

Mr. KOOTA. Right.

Mr. YOUNGBLOOD. New York City?

Mr. KOOTA. Yeah; Dave Koota.

Mr. YOUNGBLOOD. All right, Dave.

Mr. KOOTA. All right; I'll hear from you, Hull.

Mr. YOUNGBLOOD. All right.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Do you have any comment?

Mr. KOOTA. No, sir.

Mr. KENNEDY. That is your voice, is it not?

Mr. KOOTA. It sounds like it.

Mr. KENNEDY. Who are some of the big friends, the friends that you had in the right places?

Mr. KOOTA. I wouldn't know, offhand.

Mr. KENNEDY. Whom did you have in mind?

Mr. KOOTA. Nobody, particularly.

Mr. KENNEDY. Are you a member of a union yourself?

Mr. KOOTA. Not now.

Mr. KENNEDY. Were you at the time you had this conversation?

Mr. KOOTA. I don't remember when I had it—no; not at that time.

Mr. KENNEDY. When was the last time you remember being in the union?

Mr. KOOTA. About 3 or 4 years ago.

Mr. KENNEDY. What did you refer to as "our big convention paper"?

Mr. KOOTA. Well, there is always a convention around someplace, so we usually put a convention paper out, or a special edition. It is just a special selling point; that is all it is.

Mr. KENNEDY. Who is on your executive committee—"My executive committee is setting everything up"?

Mr. KOOTA. It is just an expression that I used. You can't just tell people to take these. You have to sell them to them. That is all. I have bought different appliances where people told me different things, and it wasn't as it was told to me.

The CHAIRMAN. Do you mean you sold with false representation?

Mr. KOOTA. No, sir.

The CHAIRMAN. Well, was that a true representation of facts?

Mr. KOOTA. I don't know how to explain it. It is my way of selling.

The CHAIRMAN. Your way of selling. All right; proceed.

Mr. KENNEDY. "Who is the organization you represent?" and your answer is, "It is the American Federation of Labor-CIO unions, Hull." That was not correct either, was it? Right?

Mr. KOOTA. I didn't understand the question, Mr. Kennedy.

Mr. KENNEDY. You were asked, "Who is the organization you represent?" and your answer was, "It is the American Federation of Labor-CIO unions, Hull."

Mr. KOOTA. Well, I probably understood him to say, "What unions do you represent?" That is all.

Mr. KENNEDY. That is not what he said.

Mr. KOOTA. Well, maybe I understood him to say that.

Mr. KENNEDY. You represented Max Raddock, the Trade Union Courier?

Mr. KOOTA. That is right.

Mr. KENNEDY. You don't represent labor unions?

Mr. KOOTA. I might have misunderstood him, Mr. Kennedy. There could have been a misunderstanding there. I don't weigh every word I say. I could not possibly weigh every word I say.

Mr. KENNEDY. That is very obvious. We have some more here for you. Where was this call made from?

Mr. KOOTA. Where was it made from?

Mr. KENNEDY. Yes.

Mr. KOOTA. From the office that I work in.

Mr. KENNEDY. In New York City; is that right?

Mr. KOOTA. That is right.

Mr. KENNEDY. Mr. Chairman, Mr. Hull Youngblood, Sr., making these jail supplies, had 200 employees, all of which were nonunion.

The CHAIRMAN. He states that there in his affidavit?

Mr. KENNEDY. He does.

Do you remember talking to Mr. George McNeff, president of Falcon Manufacturing Co., Dallas, Tex?

Mr. KOOTA. I wouldn't remember, Mr. Kennedy.

Mr. KENNEDY. You stated to him that you always regarded him as a friend. Do you remember that?

Mr. KOOTA. I don't remember the account. I have a lot of accounts. I couldn't remember who they are.

Mr. KENNEDY. Did you always regard him as a friend?

Mr. KOOTA. I regard everybody as a friend that I talk to.

The CHAIRMAN. We have the affidavit here of Mr. George A. McNeff, identifying this recording of a conversation had with the witness. The affidavit will be made exhibit No. 13.

(The document referred to was marked "Exhibit No. 13" for reference and may be found in the files of the select committee.)

The CHAIRMAN. You may proceed with the recording.

(At this point, a tape recording was played).

The CHAIRMAN. The Chair followed the recording for accuracy, it appears to be accurate. The transcription of the recording may be printed in the record at this point.

(The document referred to follows.)

TELEPHONE CONVERSATION—NOVEMBER 21, 1957, BETWEEN MR. DAVE KOOTA OF THE TRADE UNION COURIER AND MR. GEORGE A. MCNEFF, PRESIDENT, FALCON MANUFACTURING CO., INC., DALLAS, TEX.

McNEFF. Hello.

KOOTA. Mr. McNeff?

McNEFF. Yes.

KOOTA. This is Dave Koota with the Courier, the American Federation of Labor unions. How are you, Mr. McNeff?

McNEFF. All right, fine.

KOOTA. All right, anything I can do for you, sir?

McNEFF. Just tell me why you called.

KOOTA. Where I'm calling?

McNEFF. Yes.

KOOTA. I'm calling you from New York, Mr. McNeff.

McNEFF. Oh, I see.

KOOTA. The reason I'm calling is because you have always been regarded a friend.

McNEFF. Mm hmm.

KOOTA. Now, sir, we have had our big convention.

McNEFF. Mm hmm.

KOOTA. We're going to put out a convention paper for the American Federation of Labor unions.

McNEFF. Mm hmm.

KOOTA. In our convention paper, we are going to go all out to get every Communist out of organized labor.

McNEFF. Uh huh.

KOOTA. What do you think of it, Mr. McNeff?

Mr. McNeff. Well, that sounds like a real admirable objective.

KOOTA. I'll tell you this, Mr. McNeff. It's gotten to a point now where not only did those Communists get into labor, they got into our schools, our churches, and even into our State Department. And unless we do something, Mr. McNeff, it's going to affect us all in a bad way.

McNEFF. You're absolutely right about that.

KOOTA. Now, we've always regarded you a friend, and if there is anything I can do for you, I'll always work with you 100 percent.

McNEFF. Mm hmm.

KOOTA. McNeff, all of our good friends in management, those we have always respected, are working along with us. They're taking a space in our big convention paper to help us out with the expense. But I want you to know this, sir, that if I ask you to take a little money out of your pocket, to help me, the time'll come when I'll prove to you, Mr. McNeff, that we have darn big pockets ourselves.

McNEFF. Mm hmm.

KOOTA. I'll always work a favor back to you in dollars and cents, and when I do, you'll find that it's good to have friends in the right places. Do I make myself clear, sir?

McNEFF. You sure do.

KOOTA. Will you work with me, Mr. McNeff?

McNEFF. I don't see how we could avoid it.

KOOTA. McNeff, I'm going to tell you what the charges are. I'm going to ask you to support me as generously as you can.

McNEFF. All right.

KOOTA. These copies run from \$1,000 a full page.

McNEFF. Mm hmm.

KOOTA. They run down proportionately, \$600 the half a page, \$350 the quarter of a page, \$200 the eighth of a page, and \$100 the complimentary size.

McNEFF. I see.

KOOTA. If I might make a suggestion to you, Mr. McNeff, I'd say that people like yourself are taking a quarter of a page.

McNEFF. Mm hmm.

KOOTA. Can we count on you for that, sir?

McNEFF. Well, who do we pay that to, or how is that—

KOOTA. You will get a bill and a letter of thanks directly from the main organization, Mr. McNeff.

McNEFF. Now, is this the American Federation of Labor?

KOOTA. No, it's going to go to the paper, the Trade Union Courier, which represents the American Federation of Labor-CIO unions.

McNEFF. Uh huh. Well, couldn't we just make our checks payable to the AFL here—

KOOTA. No—

McNEFF. And have them forward it to you?

KOOTA. No; the check will be payable to the Trade Union Courier.

McNEFF. Oh, I see.

KOOTA. That's the paper that represents. You see, the AFL doesn't directly take anything from people. It's the AFL-CIO paper, the Trade Union Courier, which is running this campaign.

McNEFF. I see.

KOOTA. Do you follow me, Mr. McNeff?

McNEFF. Uh huh.

KOOTA. So you will get a bill directly from the main organization. My name, my address, and my phone number will be there. If anything should ever come up, Mr. McNeff, if I can ever do you good, if you come to me, I'll always be as nice to you as you were to me.

McNEFF. Well, now, is that paper published down here? I mean, does it get down here?



KOOTA. It's a national paper, Mr. McNeff. It's circulated all through the area.

McNEFF. Uh huh. And that's the official paper of the AFL-CIO?

KOOTA. Right. You'll see it right on the bill when you get it. It's officially endorsed by over 2,000 American Federation of Labor-CIO unions in the United States and Canada. Good enough, Mr. McNeff?

McNEFF. Well, I'll have to clear it with our committee that passes on such things, but very likely.

KOOTA. Well, the only reason I've called you by phone, Mr. McNeff, is because my executive committee is setting everything up. We're going to go to press.

McNEFF. Mm hmmm.

KOOTA. Otherwise, I would have sent you a letter, and I would have saved myself the expense of the call.

McNEFF. Mm hmmm.

KOOTA. So, Mr. McNeff, as I say, we are going to go to press. Very frankly, Mr. McNeff, there's a lot of things I know about you, but I don't know the size of your pocketbook.

McNEFF. Mm hmmm.

KOOTA. So, Mr. McNeff, whatever size you feel that you can approve is O. K. with me. But I definitely want to commit myself with my executive committee for what spacing we can put you down for.

McNEFF. Well, I'm sorry to say that I cannot give you a definite answer until I can clear it with the committee. We have these meetings once a week, and it won't be until Monday that we can get an O. K. on it. We're on a sort of austerity program, and we've got a real lid on such expenditures. But you might drop me a note on it, and I'll bring it up here Monday; and if it passes, why, I'm sure it will, why, we'll go along with you.

KOOTA. What would you want me to do? Just send you off a letter, is that what you mean?

McNEFF. Yes, that's right.

KOOTA. Just short, you mean? Just right to the point?

McNEFF. That's right. That's all. And I'll bring it up here, and I'm sure we can get it through.

KOOTA. Just sort of a memorandum, like?

McNEFF. That's right.

KOOTA. I see, Thank you, sir.

The CHAIRMAN. I may ask the witness this question: Did you recognize your voice in this recording?

Mr. KOOTA. It sounds like my voice.

The CHAIRMAN. Actually, you have this line pretty well memorized, don't you? I saw very little variation between this and the preceding recording, except on points of interruption. You have your little spell memorized, do you? Or do you just read it right before you?

Mr. KOOTA. No; I don't read it.

The CHAIRMAN. You have it memorized pretty well?

Mr. KOOTA. Just about.

The CHAIRMAN. Do you practice on it? You sound just about the same this time as you did before. Do you practice on the emphasis?

Mr. KOOTA. No, sir.

The CHAIRMAN. O. K.

Mr. KENNEDY. You had a script before you, did you not?

Mr. KOOTA. No, sir.

Mr. KENNEDY. You never did?

Mr. KOOTA. No, sir.

Mr. KENNEDY. And these words in many cases are exactly the same?

For instance, "I'll always work a favor back to you in dollars and cents, and when I do, you'll find it's good to have friends in the right places. Do I make myself clear, sir?"

There are many instances such as that, where the wording is exact.

"I'll always work a favor back to you."

Mr. KOOTA. Well, in these particular cases, they just about run similar.

Mr. KENNEDY. You had a script, did you not?

Mr. KOOTA. No, sir.

Mr. KENNEDY. In a number of recordings of other solicitors, they followed almost the same pattern, said almost the same thing.

Mr. KOOTA. That I wouldn't know, Mr. Kennedy.

Mr. KENNEDY. I see.

The CHAIRMAN. Let me ask you a question: Did your bosses in the Courier know that this was the kind of appeal you were making to secure ads?

Mr. KOOTA. When you say bosses, who do you mean?

The CHAIRMAN. Well, I don't know. Who are they? Who are your bosses? Who do you work for?

Mr. KOOTA. Well, Mr. Pickman the sales manager.

The CHAIRMAN. Mr. Pickman.

Mr. KOOTA. If you talk about Mr Raddock, they very seldom were in the salesroom. As a matter of fact, hardly any—

The CHAIRMAN. Did they know you were making this kind of appeal to get ads?

Mr. KOOTA. No, I don't think they did. I don't think they ever knew what I was saying.

The CHAIRMAN. Did they seem to care?

Mr. KOOTA. Well, I don't think they interested themselves enough in that particular room.

The CHAIRMAN. They weren't interested in that particular?

Mr. KOOTA. No, they would only occasionally say "Be sure you sell it clean" and that was all.

The CHAIRMAN. Did you think that you were selling it clean in this kind of appeal?

Mr. KOOTA. Well, he never heard this.

The CHAIRMAN. I said did you regard that you were selling it clean with that kind of appeal?

Mr. KOOTA. I don't know. I think it was clean.

The CHAIRMAN. Do you think it was clean to tell them a line like that?

Mr. KOOTA. Well, Senator, I really don't know what to say in this particular case here. I know that there are salesmen—I was just a salesman there, and I tried to use the best sales ability I could. That was all.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Koota, you were making false representations to these individuals. There is no question about that.

You'll find it is good to have friends in the right places.

What did you mean by that?

Mr. KOOTA. Just an expression, that is all.

Mr. KENNEDY. You are identifying yourself with the AFL-CIO and then saying it would be good to give an ad because you would have friends in the right places.

Mr. KOOTA. Well, I don't know, I have had people call me up from time to time. This is what I am identifying as friends. I have had people come up and tell me different matters happening with different unions and I tell them to the best of my ability what the best steps

would be. I have had people come into New York and ask me to get them theater tickets——

Mr. KENNEDY. Was that what you had in mind when you called Mr. McNeff, president of the Falcon Manufacturing Co., and Mr. Youngblood, the president of the Southern Steel Co., that you would get them tickets when they would come to New York?

Mr. KOOTA. I had nothing like that in mind, Mr. Kennedy.

Mr. KENNEDY. Did you have friends in New York that would get them tickets?

Mr. KOOTA. I had nothing in mind. Now anything they would ask me for, I would try to be helpful.

Mr. KENNEDY. The implication was that you had friends in the AFL-CIO in case of labor trouble.

Mr. KOOTA. I didn't imply anything.

Mr. KENNEDY. Isn't that what you said?

Mr. KOOTA. I didn't imply anything, no.

Mr. KENNEDY. Why did you say it was the A. F. of L. paper, the Trade Union Courier, that was running the campaign? That is a false statement of fact. Is this the AFL paper?

Mr. KOOTA. It is endorsed by AFL unions.

Mr. KENNEDY. Is it the AFL-CIO paper?

Mr. KOOTA. I wouldn't say it is, no.

Mr. KENNEDY. You said it was in the telephone conversation.

Mr. KOOTA. It is possible sometimes to make a mistake, Mr. Kennedy.

Mr. KENNEDY. You made so many mistakes in here, and you made 3 or 4 in the others. Here is another one. "And that is the official paper of the AFL-CIO?" And Koota says, "Right."

Mr. LEWIS. Will you finish the statement?

Mr. KENNEDY (reading)

You will see it right on the bill when you get it. It's officially endorsed by over 2,000 American Federation of Labor unions in the United States and Canada. Good enough, Mr. McNeff?

Mr. KOOTA. But our bills state that. It is right on the bill.

Mr. KENNEDY. It is not the official paper of the AFL-CIO.

Mr. KOOTA. It is officially indorsed by over 2,000 unions of the AFL-CIO.

Mr. KENNEDY. But you said it twice in here.

Mr. KOOTA. But it was just in haste.

Mr. KENNEDY. Beyond that, you tell these people that you know a lot about that they are friends. We find that this man has 100 employees and once again they are all nonunion. You are calling all nonunion companies.

Mr. KOOTA. As I say, most of the people I call are from out of town labor papers. I know they have given ads to labor papers locally and I assume they are friendly organizations. That is the people I call mostly.

Mr. KENNEDY. Mr. Chairman, here is another call.

The CHAIRMAN. I have another call here, a recording of it. It will be played and the witness asked about it.

Proceed to play this call.

It is a telephone conversation of April 24, 1958, between Mr. Koota and Mr. Earle Cabell.

Proceed with the recording.

(At this point, a tape recording was played.)

The CHAIRMAN. That was a little over a month ago. Do you recall that conversation?

Mr. KOOTA. It sounds like my voice, yes.

The CHAIRMAN. Do you recall the conversation?

Mr. KOOTA. No, really, I don't, Senator.

The CHAIRMAN. How many have you called during the last 6 weeks?

Mr. KOOTA. How many people have I called?

The CHAIRMAN. Yes, along this line. That is, for the same purpose.

Mr. KOOTA. Do you mean this exact conversation, do you mean?

The CHAIRMAN. No, I mean calling them soliciting advertising.

Mr. KOOTA. I would say I talk to approximately 20 to 25 people a day.

The CHAIRMAN. Do you remember this name Cabell?

Mr. KOOTA. I wouldn't remember it, Senator. I can't remember those names when I talk to so many people during the course of several weeks.

The CHAIRMAN. Do you deny you had this conversation as recorded?

Mr. KOOTA. I don't deny it.

The CHAIRMAN. This recording may be printed in the record. There is a telegram supporting it, which is not sworn to. But the witness does not deny it. He says it sounds like his voice. The telegram supporting it from Mr. Cabell may be made exhibit No. 14.

(The document referred to was marked "Exhibit No. 14" for reference and will be found in the appendix on pp. 12140, 12141.)

(The document referred to follows:)

TELEPHONE CONVERSATION APRIL 24, 1958, BETWEEN A MR. KOOTA AND MR.  
EARLE CABELL

KOOTA. Cabell.

CABELL. Yes.

KOOTA. This is Dave Koota.

CABELL. Yes, sir.

KOOTA. Courier, the American Federation of Labor unions.

CABELL. Uh, huh.

KOOTA. How are you, Mr. Cabell?

CABELL. Very good.

KOOTA. Fine. Anything I can for for you, sir?

CABELL. Nothing that I know of.

KOOTA. Well, I say it for one reason, because we've always regarded you a friend.

CABELL. Uh, huh.

KOOTA. Cabell, we've had our big convention.

CABELL. Uh, huh.

KOOTA. We're going to put out a convention paper for the American Federation of Labor unions.

CABELL. Uh, huh.

KOOTA. In our convention paper we're going to go all out to get Communists out of organized labor.

CABELL. Uh, huh.

KOOTA. What do you think of it, Mr. Cabell?

CABELL. Well, I think that's a very good program.

KOOTA. I'll tell you this, Cabell, it's gotten to a point now where not only did those Communists get into labor, but they've gotten into our schools, our churches, and even into our State Department.

CABELL. Uh, huh.

KOOTA. And unless we do something, it's going to affect us all in a bad way.

CABELL. Uh, huh.

KOOTA. Cabell, you have always been a friend, and if there's anything at all that I could ever do for you, I'll always work with you 100 percent.

CABELL. Well, I appreciate that very much. It's very kind of you.

KOOTA. Cabell, all of our good friends in management, those that we have always respected, are working along with us. They're taking the space in our big convention paper to help us out with the expense.

CABELL. Well—I'll tell you, Mr. Koota, I do not make any commitments on a telephonic basis.

KOOTA. I see.

CABELL. If you care to write me, giving full particulars of your organization, number of circulation, and those matters that are pertinent to any type of advertising, I'd be very glad to give it consideration.

KOOTA. I will put something in the mail to you.

CABELL. So, if you will do that, then I'll certainly give it consideration.

KOOTA. Thank you, sir.

CABELL. All right.

(End of telephone conversation.)

The CHAIRMAN. Are there any questions, Senator Ervin?

Senator ERVIN. I have no question.

The CHAIRMAN. Thank you. You may stand aside. Call the next witness.

The Chair failed to observe the time. It is about quitting time.

The Chair has received another telegram from Mr. Ernest M. High, of the Spotlight. That telegram may be inserted in the record at the conclusion of my remarks about it earlier this afternoon.

Mr. KENNEDY. The other documents have been put in also, have they, Mr. Chairman, and the affidavit?

The CHAIRMAN. That was placed in the record earlier as an exhibit.

Counsel advises that we are making fairly good progress, and it will not be necessary for us to meet in the morning. Therefore, we will stand in recess until 2 o'clock tomorrow, and we will resume hearings in this room at that time.

(Whereupon, at 4:25 p. m. the hearing was recessed, to reconvene at 2 p. m. Thursday, June 5, 1958. At this point, the following members were present: Senators McClellan and Ervin.)



# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, JUNE 5, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD.

*Washington, D. C.*

The select committee met at 2:30 p. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in room 457 of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul J. Tierney, assistant counsel; Robert E. Dunne, assistant counsel; John J. McGovern, assistant counsel; Charles E. Wolfe, accountant, GAO; Francis J. Ward, accountant, GAO; Karl Deibel, accountant, GAO; Ruth Young Watt, chief clerk.

The CHAIRMAN. The committee will be in order.

(Members of the committee present at the convening of the session were: Senators McClellan and Ervin.)

The CHAIRMAN. Before we call the next witness, the Chair will make this brief statement. I have today received from Mr. Winfield S. Chasmar, president of local 284, the following telegram:

JERSEY CITY, N. J.

Senator JOHN MCCLELLAN,

*Chairman, Special Committee on Labor and Management Activities,  
Senate Building, Washington, D. C.:*

Immediate action being instituted to recover moneys invested in World Wide Press. Original investment made in good faith to promote cause of labor journalism. Failure to pay interest on investment and general bad faith now evident makes action necessary to protect welfare of our members. Appreciate your acknowledging this action in the record of your hearings.

The Chair acknowledges it so that those who read the record may know that in the course of these hearings we get some constructive results long before we do make our report. I am very glad to see that action taken. I hope the money is recovered, and that it is then directed to its original purpose, and that is to serve the welfare and interest of the laboring men for whom it was collected and received in the first instance.

All right, Mr. Counsel, call the first witness.

Mr. KENNEDY. Mr. Chairman, we are now going into a new facet of Mr. Raddock's operations, and the operations of the World Wide Press, and we are going into the relationship of Mr. Raddock and his corporation or companies with the Brotherhood of Carpenters, and I would like to call as our first witness Mr. Karl Deibel of the committee staff, and Mr. Paul Tierney.

The CHAIRMAN. Will you be sworn, gentlemen. Do you solemnly swear that the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DEIBEL. I do.

Mr. TIERNEY. I do.

### TESTIMONY OF PAUL J. TIERNEY AND KARL S. DEIBEL

The CHAIRMAN. You on my left, state your name, and your place of residence, and your business or occupation.

Mr. TIERNEY. My name is Paul J. Tierney and I reside at Bethesda, Md., and I am an assistant counsel of the committee.

Mr. DEIBEL. My name is Karl S. Deibel; I am a supervisory auditor of St. Louis Office of the United States General Accounting Office, and I reside at 6136 Wanda, St. Louis, Mo.

The CHAIRMAN. All right, the Chair assumes you waive counsel and so proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Deibel, how long have you been with the GAO?

Mr. DEIBEL. Approximately 3½ years.

Mr. KENNEDY. How long have you been assigned to this committee?

Mr. DEIBEL. Approximately 6 months.

Mr. KENNEDY. Mr. Deibel, you have been working on the accounts of the International Brotherhood of Carpenters?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. And that is out with headquarters in Indianapolis; is that correct?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. You have also been working on some of the records of Mr. Max Raddock?

Mr. DEIBEL. That is right.

Mr. KENNEDY. And certain companies in which he has an interest; is that right?

Mr. DEIBEL. That is right.

Mr. KENNEDY. Can you tell the committee the amount of funds that have been expended by the International Brotherhood of Carpenters and its subordinate bodies in connection with the work of Mr. Max Raddock and his companies?

Mr. DEIBEL. Our examination has indicated that for the past 4 years—

Mr. KENNEDY. What period is that?

Mr. DEIBEL. This is 1954 through 1957, the brotherhood and its related organizations have put into Mr. Raddock and his organization some \$519,900.

The CHAIRMAN. How much is that?

Mr. DEIBEL. \$519,900. Now, this is made up of various items. We have an exhibit here.



The CHAIRMAN. Do you have a breakdown of what the items are?

Mr. DEIBEL. That is right.

The CHAIRMAN. Would you make those available to the chairman, please?

Mr. DEIBEL. Yes, sir.

(A document was handed to the chairman.)

The CHAIRMAN. You verify this mimeographed document, do you?

Mr. DEIBEL. Yes, Senator.

The CHAIRMAN. You did the work in compiling these figures?

Mr. DEIBEL. Yes, sir, this is the result of our examination of the records of the brotherhood, the various related organizations of the brotherhood, and also of the books and records of Mr. Raddock and his organizations.

The CHAIRMAN. This is a very brief memorandum, and it may be printed in the record at this point.

(The document is as follows:)

*Total moneys paid by United Brotherhood of Carpenters to Maxwell C. Raddock, or his firms, from 1954 to 1957*

Subscriptions to Trade Union Courier-----	\$120, 677
Portrait of an American Labor Leader: William L. Hutcheson-----	310, 000
For carpenters regional conferences and 75th anniversary banquet----	82, 348
For air transportation and hotels-----	6, 862
<b>Total-----</b>	<b>519, 887</b>

Out of the above total, \$466,378 was paid Raddock, et al., by the international offices.

Mr. KENNEDY. You have broken this down into general categories.

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. The first category is the subscriptions to the Trade Union Courier?

Mr. DEIBEL. That is right.

Mr. KENNEDY. Could you tell us how that operated?

Mr. DEIBEL. This \$120,677 shown in subscriptions to Trade Union Courier represents subscriptions taken by the international or the brotherhood at their Indianapolis office, as well as subscriptions by the locals in the New York area. These locals are 1456, which is dock and pier workers, 1536, which is Timberman's local, and 2947 which is the Hollow Metal Door local.

As of February 1958, these organizations were subscribing to Mr. Raddock's Trade Union Courier in the number of 11,325.

Mr. KENNEDY. How much of that was by the international?

Mr. DEIBEL. Of the 11,000, there was roughly 5,550 by the international.

Mr. KENNEDY. And for that subscription, that was paid out of union dues money, is that right?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. So this whole \$120,677 is all out of union funds?

Mr. DEIBEL. That is correct, sir.

Mr. KENNEDY. Now, is there anything further on that, that you want to add?

Mr. DEIBEL. No, I believe that takes care of it.

Mr. KENNEDY. Now, the second item is the Portrait of an American Labor Leader: William L. Hutcheson, what is that?

Mr. DEIBEL. That represents the payments to Mr. Raddock and his organizations directly for the printing of the book called, A Portrait of an American Labor Leader, and the payments have been spread over a period of time, and they represent \$310,000.

The CHAIRMAN. Is that all paid by the international?

Mr. DEIBEL. That is all paid by the international; yes, sir.

Mr. KENNEDY. We are going into that matter in some detail, but I just want to get the general categories in the record at the present time.

Then the third category is for the Carpenters regional conference and 75th anniversary banquet?

Mr. DEIBEL. That is correct. In 1956 the Carpenters were observing their 75th anniversary, and relative to this Mr. Raddock performed certain services in the spring of 1956 throughout the country. Various district conferences were held by the Carpenters, and Mr. Raddock performed services here in the fall of 1956. A banquet was held here in Washington, D. C., at which time Mr. Raddock himself performed services.

The total billings of Mr. Raddock and the amount paid by the International totaled \$82,300.

The CHAIRMAN. Was that paid over a period of a year?

Mr. DEIBEL. Yes, sir; there was some \$38,000 paid in May of 1956, and \$43,000 paid in November of 1956.

The CHAIRMAN. In other words, all of the services were performed within a year?

Mr. DEIBEL. That is correct, Senator.

The CHAIRMAN. What kind of services, does the record indicate?

Mr. DEIBEL. Yes, sir, Mr. Raddock performed such things as preparation of programs, preparation of speeches, he had banners made, and he had invitations, and tickets and took care of the publicity for these conferences, and also for the banquet.

The CHAIRMAN. All right, go ahead.

Mr. KENNEDY. Was that to include a salary for Mr. Raddock for these services?

Mr. DEIBEL. The understanding that we have from Mr. Richardson is that it was not to include a salary.

Mr. KENNEDY. That was just his expenses?

Mr. DEIBEL. It was to be for his expenses, that is correct.

Mr. KENNEDY. Did he submit any vouchers or any support for this \$82,000?

Mr. DEIBEL. Mr. Raddock submitted two invoices, which contained numerous paragraphs of writings. However, there was only one amount which appeared on each invoice, and that was the total amount of the invoice. These paragraphs of writings consisted of an outline of the reason for the charges, such as for printing of the programs and the tickets, and the telephone service that was necessary, messenger service, and such other items.

However, the only amount that appeared on each of his billings was the total amount.

Mr. KENNEDY. He didn't give a breakdown of how much he spent on telephones and how much he spent on making these mats, and how much he spent on the programs?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Do you have those invoices? We plan to put them in the record at a later time.

Mr. DEIBEL. Yes, I do have a copy of those.

Mr. KENNEDY. I think we might go into them a little bit now.

Mr. DEIBEL. Would you like parts of them read?

Mr. KENNEDY. Yes, would you read some parts showing how this \$82,000 was arrived at?

Mr. DEIBEL. Here is the billing of May 25, 1956, and now Mr. Raddock sent this billing over the heading of the American Institute of Social Sciences, Inc., one of Mr. Raddock's organizations.

Mr. KENNEDY. American Institute of Social Sciences, Inc.?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. What is that?

Mr. DEIBEL. This is an organization, as we understand it, that was organized to publish books, and I believe its main understanding to this date has been in connection with the Portrait of an American Labor Leader.

Mr. KENNEDY. What is the connection between what it does and its title, do you know?

Mr. DEIBEL. The connection is supposed to be the books that he will publish that are related to social sciences.

Mr. KENNEDY. And the only work they have done so far that you know of is the book of Mr. Hutcheson?

Mr. DEIBEL. I believe that is their major work.

Mr. KENNEDY. All right.

Mr. DEIBEL. This billing of May 25, 1956, which is written to the United Brotherhood of Carpenters, 222 Michigan St., Indianapolis, Ind., and the first paragraph states, "Programing, services in connection with the regional conferences of the United Brotherhood of Carpenters and Joiners of America in between quadrennial conventions in Boston, Mass., Toronto, Canada, and Philadelphia, Pa., and Seattle, Wash., and San Francisco, Calif., and Wichita, Kans., Lakeland, Fla., and Chicago, Ill.

Agenda for regional 75th anniversary celebration, VP appearances, gubernatorial proclamations, picture in press coverage, general and labor staff, expenses.

I will read one more paragraph and I think it is interesting:

For use of personnel, salaries, and fees, and for telephones, local-long distance and telegrams, messengers, car expenses, postage, deliveries to daily press, labor and periodicals.

Now, he continues this general presentation for some 5 or 6 paragraphs, at which time he concludes—

All above for a period from April 7, 1956, to May 25, 1956, total outlay in accordance, \$38,890.

Mr. KENNEDY. There is no breakdown at all as to how he spent that money, is that right?

Mr. DEIBEL. No, sir.

Mr. KENNEDY. There is nothing from the records in the Carpenters to show or indicate that these were expenses that he actually incurred?

Mr. DEIBEL. No, sir. We asked the officials of the Carpenters Brotherhood if there were any additional supporting documents that would enable us to verify the accuracy of this billing, and they were unable to produce any documents.

Mr. KENNEDY. That is \$30,000 for what period of time?

Mr. DEIBEL. This is for the period April 7 through May 25, 1956.

Mr. KENNEDY. There are no vouchers other than that?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. What about the other, that goes up to make the \$82,000?

Mr. DEIBEL. The other billing is dated November 28, 1956, also from American Institute of Social Sciences, Inc., and also addressed to the United Brotherhood.

May, June, July, August, September, October, and through November 25, 1956, for cash outlay in connection with regional 75th anniversary celebrations, pre-75th jubilee dinner arrangement, and programing and services, and preparation and terminations and completion date.

Then he goes to his various types of expenses such as—

For secretarial, research staff salaries, expenses for full-time and part-time assistance, for long distance, local, and transit phone expenses, home and office, telegraph, messenger, and boy services.

We have approximately 10 paragraphs of the same type of terminology which is concluded with the line—

Total outlay for period as above mentioned, \$43,455.

Mr. KENNEDY. What was the period again for that?

Mr. DEIBEL. This is a period from May 1956 through November 25, 1956.

Mr. KENNEDY. So once again as in the case of the \$38,000, there are no vouchers submitted whatsoever to support that?

Mr. DEIBEL. That is right. We also requested any additional supporting documentation the brotherhood might have concerning this billing, and we were told that there were no other documents.

Mr. KENNEDY. We will go into that in a little bit more detail at a later time.

There is also another item for \$6,862.

Mr. DEIBEL. This is for air transportation and hotels. During the district conferences and also the 75th anniversary, Mr. Raddock's hotel bills, and Mr. Grossman, who is an assistant, and also Lorrain Grarz, who is on his staff—their bills were paid directly by the Carpenters. In addition, Mr. Raddock was given an airline transportation credit card upon which he flew from his New York office to the various locations of district conferences, and also to Washington, D. C., and the total of these transportation and hotel bills was \$6,900.

Mr. KENNEDY. In addition to the expenses that he received in the amount of \$82,000, for this work he received his hotel and travel expenses and the hotel and travel expenses of any assistants that might be with him were paid during that period of time?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. He didn't have to pay that out of the \$82,000?

Mr. DEIBEL. That was paid in addition to the \$82,000.

Mr. KENNEDY. So that the grand total was \$519,887?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Mr. Tierney, I would like to ask you—

Senator ERVIN. Before you go from that, I would like to ask a question. That first bill for upwards of \$38,000 covers from April 7 to May what?

Mr. DEIBEL. May 25, Senator.

Senator ERVIN. In other words, in 48 days, Mr. Raddock was paid over \$38,000 for ostensibly 48 days of service?

Mr. DEIBEL. That is correct, sir.

Senator ERVIN. And nothing in the world to substantiate the services except those generalities embodied in those two documents you have identified?

Mr. DEIBEL. That is correct at the Carpenters Brotherhood level. We have done some work at Mr. Raddock's side of the business and I believe we will get into that a little later.

Mr. KENNEDY. As long as we are touching on it—do you have those records there?

Mr. DEIBEL. Those records are not here.

Mr. KENNEDY. Then could we wait on that?

Senator ERVIN. Yes.

Mr. KENNEDY. As far as the Carpenters themselves are concerned, the international, that is all of the documentation they had to support the payment of this amount of money?

Mr. DEIBEL. That is correct. The \$6,800 for air transportation and hotels, Mr. Kennedy, it is our understanding that at these conferences and at the 75th anniversary, Mr. Raddock was also engaged in pushing his book, *The Portrait of An American Labor Leader*, and some of these expenses may be more closely related to the book than to the 75th anniversary.

Mr. KENNEDY. But they were expenses paid?

Mr. DEIBEL. They were expenses paid by the Carpenters Brotherhood.

Mr. KENNEDY. Now, Mr. Chairman, we are going into some detail in the writing of the book.

Mr. Tierney, when was the book *Portrait of an American Labor Leader: William L. Hutcheson*, first ordered?

Mr. TIERNEY. Mr. Raddock first made his proposal to write this book apparently in early December. Our first record is a letter of December 8, 1953, at which time he confirmed an agreement which had already been reached to the effect that he would produce 6,000 books, would write the book, publish the book, and furnish 6,000 copies by the Brotherhood's next coming convention which was in November 1954, for a total of \$25,000.

Mr. KENNEDY. So that I understand, he was going to write the book, publish the book, publish 6,000 copies of the book, and have them available for the convention of the Carpenters in November 1954, which was 12 months later, is that right?

Mr. TIERNEY. That is right.

Mr. KENNEDY. For that work he was to get paid \$25,000?

Mr. TIERNEY. Right, sir.

Mr. KENNEDY. You have a letter dated what; December 8?

Mr. TIERNEY. December 8, 1953.

Mr. KENNEDY. And that sets forth those facts?

Mr. TIERNEY. That is right.

Mr. KENNEDY. Mr. Chairman, could we have that offered as an exhibit?

Senator ERVIN. It will be received as an exhibit, exhibit No. 15.

(The document referred to was marked "Exhibit No. 15" for reference, and may be found in the files of the select committee.)

The CHAIRMAN. Let the record show that I am present, but that Senator Ervin is acting in my behalf.

Mr. KENNEDY. I would like to call Mr. Ben Kushner and Max Perlman.

Senator ERVIN. Do you and each of you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. KUSHNER. I do.

Mr. PERLMAN. I do.

### TESTIMONY OF BEN KUSHNER AND MAX PERLMAN

Mr. KENNEDY. Mr. Kushner, would you give your name, your full name, your address, and your occupation?

Mr. KUSHNER. Ben Kushner, 6938 218th Street, Bayside, N. Y. I am a papercutter and bookbinder at World Wide Press, in Congers, N. Y.

Mr. KENNEDY. Mr. Perlman, would you give us your full name and your address and occupation?

Mr. PERLMAN. Max Perlman, 780 Astor Avenue, Bronx, N. Y., pressroom foreman, World Wide Press.

Mr. KENNEDY. Mr. Kushner, you spell your name K-u-s-h-n-e-r?

Mr. KUSHNER. That is right, sir.

Mr. KENNEDY. And you have been employed at World Wide Press since June of 1953?

Mr. KUSHNER. That is right.

Mr. KENNEDY. You also act as the shipping and receiving clerk at World Wide Press?

Mr. KUSHNER. I do, sir.

Mr. KENNEDY. And you operate the papercutting department; is that right?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. In that position, you would be familiar with the work that is going on in the World Wide Press, as far as the printing of any books; is that right?

Mr. KUSHNER. That is right, sir.

Mr. KENNEDY. You would be, personally, familiar with the work that is going on in World Wide Press in connection with that?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. Mr. Kushner, when was the first activity toward printing the book, Portrait of An American Labor Leader: William L. Hutcheson, at the World Wide Press?

Mr. KUSHNER. To the best of my knowledge, about Thanksgiving of 1957.

Mr. KENNEDY. November of 1957?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. Mr. Chairman, I would like to point out that, according to the information that we have, Mr. Tierney's testimony, the book was ordered in November of 1953.

Was that the time that the paper was ordered for the printing of the book?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. Around Thanksgiving of 1957?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. Was it explained to you at that time that there was a rush job that was needed, that was necessary?

Mr. KUSHNER. Well, I would say that we were going to push it through, sir.

Mr. KENNEDY. Was it understood that it was a rush job?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. I might also say, Mr. Chairman, that the committee started its investigation of this matter on November 12 of 1957. We first went into the records of the Brotherhood of Carpenters on November 12, 1957. The first books that were printed, were they hard-cover books or were they books of so-called chrome-type books or paperbound books?

Mr. KUSHNER. The first ones were, as we call them, soft cover, I believe.

Mr. KENNEDY. Soft-cover books?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. That is, this kind of a book [indicating]?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. How many books were you printing at that time?

Mr. KUSHNER. I believe it was 12,000 or 14,000. I don't remember the exact amount.

Mr. KENNEDY. How long would it take for you to print that book?

Mr. KUSHNER. About 2 or 3 weeks.

Mr. KENNEDY. So, that would take you up until sometime in December of 1957; is that right.

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. Did you bind the book yourself at World Wide Press?

Mr. KUSHNER. No, sir; not that one.

Mr. KENNEDY. Those would be sent out, is that right, to be bound?

Mr. KUSHNER. The first one was sent out to be bound.

Mr. KENNEDY. The records show that the order that was placed for binding was December 18, 1957. Would that fit into the time that you understand it to be?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. And the books were sent out for binding at the end of December and early January 1958?

Mr. KUSHNER. That is correct, sir.

Mr. KENNEDY. After you printed or ran off some 12,000 or 14,000 copies of this book, did you take steps to print any other books?

Mr. KUSHNER. Yes. We started a hard-cover issue, sir.

Mr. KENNEDY. When would that be, that you started the hard-cover issue?

Mr. KUSHNER. Well, roughly, about December 15 or 18; about that date.

Mr. KENNEDY. And how many copies of those books did you run off?

Mr. KUSHNER. I don't know.

(The witnesses conferred.)

Mr. KUSHNER. About 10,000.

Mr. KENNEDY. I think the record shows 10,000. That was the first time you started running hard-cover books in the plant, is that right?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. The record shows that you received the paper for these hard-cover books on December 26, 1957. Would that be about the time?

Mr. KUSHNER. If the record shows that, that would be—my memory might be faulty about the exact date.

Mr. KENNEDY. But your recollection was that it was around Christmas time, is that right?

Mr. KUSHNER. That is right.

Mr. KENNEDY. How long did you take with that, printing the hard-cover books?

Mr. KUSHNER. I believe that was about 2 or 3 weeks also.

Mr. KENNEDY. That would also fit into the schedule that we have. It was on January 23, 1958, that the books were then sent out to be bound as hard-cover books.

Mr. KUSHNER. That is right.

Mr. KENNEDY. They were sent out to be bound?

Mr. KUSHNER. That is right, sir.

Mr. KENNEDY. Was that in the middle of January 1958?

Mr. KUSHNER. That is right, sir.

Mr. KENNEDY. Did you then print some more paper-cover books?

Mr. KUSHNER. We did.

Mr. KENNEDY. How many more of those did you print, approximately?

Mr. KUSHNER. I think about 15,000. I am not sure.

Mr. KENNEDY. That started after you had finished the hard cover?

Mr. KUSHNER. Yes, sir.

Mr. KENNEDY. So that would start at the end of January, is that right?

Mr. KUSHNER. That is right.

Mr. KENNEDY. So that would again take about 3 weeks?

Mr. KUSHNER. That is right.

Mr. KENNEDY. So you finished those somewhere around the middle of February 1958?

Mr. KUSHNER. That is correct.

Mr. KENNEDY. Do you know if arrangements were made from an outside concern to print some books, some hard-cover books?

Mr. KUSHNER. I know there were some such arrangements made, but specifically I don't know about it.

Mr. KENNEDY. Do you know when those arrangements were made?

Mr. KUSHNER. No, sir.

Mr. KENNEDY. Just so that I get it straight, from the time you went to work, no books were printed at World Wide Press entitled "Portrait of an American Labor Leader: William L. Hutcheson," from the time you went to work until November of 1957?

Mr. KUSHNER. As far as I know, no books were printed.

Mr. KENNEDY. And the magnitude of the job was such that you would have to know about it if it was going on, is that right?

Mr. KUSHNER. Yes, I would.

Mr. KENNEDY. Now, Mr. Perlman, when did you go to work for World Wide Press?

Mr. PERLMAN. Approximately 6 years ago.

Mr. KENNEDY. About January of 1955?



Mr. PERLMAN. No, 6 years ago. About 1952.

Mr. KENNEDY. 1952?

Mr. PERLMAN. Yes, sir.

Mr. KENNEDY. You worked as a foreman—

Mr. PERLMAN. Not all the time, but only for the past 2 years.

Mr. KENNEDY. That is about since January of 1955?

Mr. PERLMAN. That is right.

Mr. KENNEDY. In that position, you handled the actual printing of the Hutcheson book, is that right?

Mr. PERLMAN. That is correct, sir.

Mr. KENNEDY. When did the printing of the Hutcheson book start at World Wide Press?

Mr. PERLMAN. Approximately about Thanksgiving of 1957.

The CHAIRMAN. Do you mean that none of these books were printed at the World Wide Press until November 1957?

Mr. PERLMAN. That is right, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. And the dates that we have gone through with Mr. Kushner about the time of the binding in late December 1957, does that fit into your recollection as to what occurred?

Mr. PERLMAN. Pretty near, that is right, sir.

Mr. KENNEDY. And then the paper for the hard books was ordered at the end of December 1957?

Mr. PERLMAN. Yes, sir.

Mr. KENNEDY. So those were the first hard books that were printed at the World Wide Press?

Mr. PERLMAN. That is correct.

Mr. KENNEDY. And they weren't ordered until the end of December 1957?

Mr. PERLMAN. That is correct.

Mr. KENNEDY. And you printed those hard bound books in January, and were finished at the end of January 1958, is that right, and were sent out at that time to be bound?

Mr. PERLMAN. That is right, sir.

Mr. KENNEDY. Then you printed also some soft cover books again?

Mr. PERLMAN. That is correct.

Mr. KENNEDY. So altogether in your plant, you printed about 29,000 soft cover and 10,000 hard cover, is that right?

Mr. PERLMAN. That is right.

Mr. KENNEDY. And this all occurred after or started around Thanksgiving 1957?

Mr. PERLMAN. That is right.

Mr. KENNEDY. Did you understand this was a rush job at that time also?

Mr. PERLMAN. Yes.

The CHAIRMAN. Do you know what prompted the rush?

Mr. PERLMAN. I beg your pardon.

The CHAIRMAN. You say it became a rush job in January of this year, I believe, or December of last year and January of this year.

Mr. PERLMAN. Yes, it was. We only had one press to print it on, so it would take quite some time. So we were pushing it through.

The CHAIRMAN. Do you know what caused the rush?

Mr. PERLMAN. I really don't know, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. Do you have anything further, Senator Ervin?

Senator ERVIN. No questions.

The CHAIRMAN. All right, gentlemen. You may stand aside. Thank you very much.

Mr. KENNEDY. Mr. Chairman, we have a chart we wish to discuss now.

The CHAIRMAN. The chart may be brought around.

Mr. KENNEDY. Can you see it all right?

The CHAIRMAN. I have a copy before me here.

Mr. KENNEDY. Mr. Chairman, as the witnesses testified, the first books were ordered in December of 1953. On January 8, 1954, the first \$25,000 was paid. That was for the writing and the publishing of these 6,000 copies of the books. Mr. Raddock then got in touch with the Carpenters and said that he needed another \$25,000. This was also paid to him in order to assist him in his research. We will have some testimony about the amount of money involved even as of this time. He was to finish the book, according to the contract and the arrangement that he had, and have the 6,000 copies available by November of 1954.

That was giving him a period of about 1 year from the time that it was ordered. He failed to meet the deadline. He had not produced any books by November of 1954. Then it was decided that he should print some more books, and the Carpenters made arrangements to pay him some \$200,000 to print 50,000 books. Mr. Raddock was going to charge the Carpenters, his friends, \$4 a book. That was 50,000 books at \$4 each. He was then going to take the books and mail them out to various libraries, schools, labor officials, et cetera, throughout the country.

It was understood at that time that he would be paid \$100,000, as an initial downpayment, and then he would be paid the second \$100,000 after he had printed 56,000 books and delivered them.

The significant part is that he received \$50,000 on January 31, 1955.

The CHAIRMAN. Up to that time he had produced no book at all?

Mr. KENNEDY. That is correct.

The CHAIRMAN. And the original contract was to get books in production with \$25,000?

Mr. KENNEDY. Yes. And then he had been paid an extra \$25,000.

The CHAIRMAN. To get them in production by when?

Mr. KENNEDY. November 1954.

The CHAIRMAN. November 1954?

Mr. KENNEDY. That is correct.

The CHAIRMAN. And by November 1954 there were no books?

Mr. KENNEDY. No books. And he was paid another \$50,000 on February 14, 1955. So by this time he had received \$150,000. One of the significant points here is that the contract to pay him this extra money was made on February 14, 1955. But he received \$50,000 of union funds back on January 31, 1955, some 2 weeks prior to the time they had even made an agreement to pay him any money. The first

\$100,000 was to be paid, as I said, as a downpayment for the book.

The second \$100,000 was not to be paid until he had delivered the books. He was to deliver these books by March 31, 1955. Despite the fact that he still had not delivered any books, the other \$50,000 was paid to him, now making a total of \$200,000 without the delivery of any books, and he had made the contract some 16 months before.

By November 30, 1955, they paid him another \$50,000, so he now had \$250,000, and he finally produced 5,000 books.

The CHAIRMAN. He had received \$250,000 over a period of nearly 2 years before a book was produced?

Mr. KENNEDY. That is right.

The CHAIRMAN. It lacks a month and 8 days of being 2 years, is that correct?

Mr. KENNEDY. Yes. December 8 was the date, so it is about 9 days under 2 years.

Senator ERVIN. And the original contract was to produce 6,000 books for \$25,000.

Mr. KENNEDY. That is correct.

The CHAIRMAN. So by the time he had gotten \$250,000, he had produced 5,000 books, whereas the original contract was to produce 6,000 books for \$25,000?

Mr. KENNEDY. That is correct.

The CHAIRMAN. All right.

Mr. KENNEDY. So as of November 30, 1955, some 2 years after the contract was made, he had received \$250,000 to produce 56,000 books and he was in default by 51,000 books?

The CHAIRMAN. I think that states it. He had received \$250,000 and had only produced 5,000 books.

Mr. KENNEDY. Right.

The CHAIRMAN. All right, proceed.

Mr. KENNEDY. Evidently because of this kind of a record, the Carpenters thought he was doing a fine job, so on February 24, 1956, the Carpenters paid him \$50,000 more to produce 10,000 additional books at \$5 a copy. The price had gone up from \$4 a copy to \$5 a copy. They ordered 10,000 more books, Mr. Chairman, when as yet he had not even lived up to the agreement he made 2 years before.

The CHAIRMAN. He had not yet even produced 6,000, the original order?

Mr. KENNEDY. No. So they gave him another \$50,000 to produce the books at \$5 a copy. In March 1956, he took a major step forward and produced 3,100 books, making a total then of 8,100 books. Because of this, on January 9, 1957, the Carpenters paid him another \$10,000 to produce 2,000 more books, again at \$5 a copy.

The CHAIRMAN. How many had he actually produced by then?

Mr. KENNEDY. 8,100 books, and this was some 3 years after the contract had been made.

The CHAIRMAN. All right.

Mr. KENNEDY. Then in June of 1957, he produced another 10,000 books.

The CHAIRMAN. That made 18,100.

Mr. KENNEDY. 18,100 books as of June 1957.

The CHAIRMAN. That is 3½ years from the time of the original contract.

Mr. KENNEDY. Yes. We began our investigation on November 12, 1957, and then he started producing a great number of books. Starting in December of 1957, according to the testimony, he produced 16,000 copies of these paperback books in his plant.

Then he made arrangements in his plants and elsewhere, farmed out in January–February 1958, to produce 40,000 clothbound copies and then in February 1958 he produced another 13,000 books, cloth-covered books.

The CHAIRMAN. What was the total ordered? Originally there were to be how many?

Mr. KENNEDY. 69,000; and he produced as of the time—

The CHAIRMAN. In other words, all of the orders for books aggregate 69,000. How many—

Mr. KENNEDY. 68,000, Mr. Chairman.

The CHAIRMAN. 68,000. How many had been produced up to the time the committee started its investigation?

Mr. KENNEDY. 18,100. At the time we began our investigation, which is some 4 years after the book had been ordered, he was in default some 49,000, and he had been paid \$312,000. It is all clear?

Senator ERVIN. All of which reminds me of the book entitled "What Price Glory."

The CHAIRMAN. How many books have actually been produced and delivered up to now?

Mr. KENNEDY. 58,100 clothbound, hard-cover books, and \$29,000 soft books. He is still in default about 10,000, almost 10,000, of the hard-cover books.

The CHAIRMAN. In other words, the contract is not yet completed.

Mr. KENNEDY. No. He has made a lot of these clothbound books. Maybe he feels that 29,000 clothbound books make up for 10,000 hard-bound books. This is all out of union funds.

The CHAIRMAN. Since the committee started its investigation, has there been any more money paid him?

Mr. KENNEDY. No; I think they stopped paying him.

The CHAIRMAN. When we started the investigation, the union stopped paying him money and he started producing.

Mr. KENNEDY. This is the book on the former president of the Carpenters, and the father of the present president.

The CHAIRMAN. This copy of the soft-bound volume may be made exhibit 16. This is a paperbound volume and it may be made exhibit 16, for reference.

(The document referred to was marked "Exhibit 16" for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. Did you examine the index?

The CHAIRMAN. I don't know whether this occurs in all of them or not, but it may be noted in this particular volume—is that true in the other one?

Mr. KENNEDY. There were two different runs of it, one of the 13 and one of the 16.

The CHAIRMAN. They have the index upside down. That may be some indication of the quality.

(The document referred to follows:)

*Chronology of payments to Maxwell C. Raddock by Carpenters for production of book, Portrait of an American Labor Leader: William L. Hutcheson*

Date	Money paid by Carpenters to Raddock	Purpose	Quantity of books actually produced	Comment
Jan. 8, 1954.....	\$25,000	To write and publish book, and furnish 6,000 copies for international convention in November 1954.		
May 18, 1954.....	25,000	Advance for additional research...		
November 1954.....				Raddock fails to meet November deadline for production of book.
Jan. 31, 1955.....	50,000	For delivery of 50,000 books, at \$4 each, to be mailed by Raddock to colleges, libraries, etc., by Mar. 31, 1955.		
Feb. 14, 1955.....	50,000	On this date, Raddock executes performance agreement to furnish 50,000 books and bound list of recipients by Mar. 31, 1955, as condition precedent to Carpenters paying him \$100,000 balance on 50,000-book order.		
Mar. 31, 1955.....	50,000	3d installment on 50,000-book order. Payment made despite Raddock's nonperformance of Feb. 14, 1955, agreement.		Raddock in default on delivery of 56,000 books as of Mar. 31, 1955.
Nov. 31, 1955.....	50,000	4th and final installment on 50,000-book order. Paid despite Raddock's nonperformance.	5,000	
Total as of Nov. 31, 1955.	250,000	To produce 56,000 books.....	5,000	Raddock in default by 51,000 books.
Feb. 24, 1956.....	50,000	According to brotherhood general president, this for 10,000 additional books at price of \$5 per copy.		This payment of \$50,000 made at a time when Raddock had already been paid \$250,000 and in default 51,000 books.
March 1956.....			3,100	
Jan. 9, 1957.....	10,000	For 2,000 books, at price of \$5 copy		This payment of \$10,000 made at a time when Raddock had already been paid \$300,000 and in default 57,900 books.
June 1957.....			10,000	
Total as of June 1957.	310,000	To produce 68,000 books.....	18,100	As of this date, Raddock in default 49,900 copies of book.
Nov. 12, 1957, staff commences investigation of Carpenters: November-December 1957.				Raddock produces 16,000 copies of cheap paper-back books.
January-February 1958.				Produces 40,000 cloth-bound books.
February 1958.....				Produces 13,000 copies of cheap paper-back books.

The CHAIRMAN. All right. Call the next witness.

Mr. KENNEDY. Mr. Stahley Thompson.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. THOMPSON. I do.

### TESTIMONY OF STAHLEY THOMPSON

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. THOMPSON. Stahley Thompson, 212 East 49th Street, New York City, president, Stahley Thompson Associates.

The CHAIRMAN. Do you waive counsel, Mr. Thompson?

Mr. THOMPSON. Yes, I do.

The CHAIRMAN. Thank you. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Thompson, what is your company?

Mr. THOMPSON. We are graphic designers and producers of books for clients, such as industry, and publishers.

Mr. KENNEDY. Could you speak a little louder, please?

Mr. THOMPSON. We design and produce books for clients, industry, and publishers.

Mr. KENNEDY. And your first name is Stahley?

Mr. THOMPSON. Yes.

Mr. KENNEDY. Thompson, T-h-o-m-p-s-o-n?

Mr. THOMPSON. That is correct.

Mr. KENNEDY. And you are Stahley Thompson Associates, Inc.?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. 141 East 25th Street, New York City?

Mr. THOMPSON. That is correct.

Mr. KENNEDY. Mr. Thompson, did Mr. Raddock approach you to do some work for him in 1955?

Mr. THOMPSON. Yes. As a matter of fact, we were approached to produce the book, An American Labor Leader, by Mr. Raddock in approximately October 1955.

Mr. KENNEDY. Your company in fact produced the 8,100 copies of the book that were printed up until June of 1957?

Mr. THOMPSON. That is true. They were produced in 2 blocks, the first printing of 5,000 copies from type and the second printing of, I think it was, 3,100 or 3,200 copies from plates.

Mr. KENNEDY. But he made a contract with you to produce those books?

Mr. THOMPSON. Yes.

Mr. KENNEDY. Could you tell us what the discussions were originally about how many books would be involved? When did he first approach you?

Mr. THOMPSON. Well, actually, that is a rather strange story, because he approached us through one of our former employees, who had designed the book jacket for this Portrait of an American Labor Leader sometime earlier as a free-lance basis.

He approached us from Mr. Kamp; I would say it was either in September or October 1955, on a proposition of producing an advance run of 5,000 copies of this book to meet some special event of the Carpenters' Union.

Mr. KENNEDY. I think the records show a letter that we have from Mr. Kamp to Mr. Raddock in May of 1955.

Mr. THOMPSON. It might have been as early as that.

Mr. KENNEDY. That date is not essential, but that was actually—

The CHAIRMAN. Let the Chair interrupt for a moment. One of the hard-bound volumes will be made exhibit 17 for reference.

(The document referred to was marked "Exhibit 17" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. But it was during the middle of 1955?

Mr. THOMPSON. Yes. It was in that period.

Mr. KENNEDY. Did he tell you at that time how many books he wanted produced?

Mr. THOMPSON. Yes. He spoke of 2 runs at that time, 1 run of 5,000 copies, an advance run, which were to be ready for some special operation, something of the Carpenters, of the union, and a secondary run of approximately 60,000 to 65,000 books.

Mr. KENNEDY. Mr. Thompson, if he came to you and decided to go ahead with the 60,000 books, 60,000 or 65,000 books, and you were to do the production of the book, he was to just hand you a manuscript, and you were then to produce the book, a hard-covered book and send it out to a list of names that he might furnish to you or perhaps the Carpenters would furnish to you, how much would you be willing to have done this job for the Carpenters for?

Mr. THOMPSON. Well, actually, Mr. Raddock furnished the type on this job, but if we had done this job complete from a manuscript, based on 65,000 copies, and mailed it from furnished labels, that is, furnished by any organization—

Mr. KENNEDY. That is the usual procedure, isn't it?

Mr. THOMPSON. Yes; that is the usual procedure. Labels are generally furnished. I think it would have cost approximately \$1.25 complete. I did work up a few figures here.

The CHAIRMAN. Is that for the hard-bound copy?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. The most expensive?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. \$1.25 a piece would have been the price?

Mr. THOMPSON. Actually, the figures I have here come to \$1.106.

Mr. KENNEDY. \$1.10?

Mr. THOMPSON. \$1.106; yes.

The CHAIRMAN. But you are making some allowances?

Mr. THOMPSON. Yes. And this includes about a 10-percent markup, which would be our fee.

The CHAIRMAN. In other words, you would make a 10-percent profit?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. You would have been willing to do it for the Carpenters at \$1.10 a copy, and that would be the production of the book and sending it out; is that right?

Mr. THOMPSON. Yes. I think that would be about the normal cost for a book like this.

Mr. KENNEDY. That would include a profit for you?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. And that would include the mailing costs, and the packaging?

Mr. THOMPSON. Yes. I allowed in this figure approximately 20 cents for postage.

Mr. KENNEDY. And that is included in the \$1.10?

Mr. THOMPSON. That is right, actually, we furnished a quotation to Mr. Raddock of approximately 75 cents a copy complete, exclusive of cartoons, mailing and so forth.

Mr. KENNEDY. You told him at that time that you would be willing to do this run for 75 cents a copy?

Mr. THOMPSON. Yes. Actually, it is less than that, because this 75.6 cents I have includes composition, and the composition was furnished.

Mr. KENNEDY. But you told him at that time that you could do it for 75 cents a copy?

Mr. THOMPSON. Yes. I believe you have a copy of one of our proposals there, showing the costs.

The CHAIRMAN. I hand you here a photostatic copy of what purports to be a proposal on the book, the title of which is "Portrait of an American Labor Leader," which appears to be dated the 21st of October 1955. I will ask you to examine it and state if you identify it. (The document was handed to the witness.)

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. Is that a copy of the proposal your company submitted to Mr. Raddock?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. That copy may be made exhibit No. 18.

(The document referred to was marked "Exhibit No. 18" for reference and will be found in the appendix on p. 12142.)

Mr. KENNEDY. What is the figure that you quote on there?

Mr. THOMPSON. 74.3 cents.

Mr. KENNEDY. That would be for the production of the book? That would be for the production of the book? That would not include sending the book out?

Mr. THOMPSON. No.

Mr. KENNEDY. It is about 25 cents more to send the book out; is that right?

Mr. THOMPSON. This is merely paper, presswork, and binding, including new dies for stamping. Mr. Raddock changed the dies on the second edition.

Mr. KENNEDY. Actually, one of your other propositions, when you were approached in early 1955, that you could do it for 64 cents a copy: is that right?

Mr. THOMPSON. Yes. I frankly don't remember all these figures, but I believe you have copies of everything here.

Mr. KENNEDY. 63.8 cents.

The CHAIRMAN. I hand you here what purports to be another proposal, an earlier one made by your company for the printing of this book on May 12, 1955, together with a copy of the letter of transmittal of the proposal. Will you examine it, please, and state if you identify the proposal and the transmittal letter attached?

(The documents were handed to the witness.)

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. They may be made exhibit No. 19.



(The documents referred to were marked "Exhibit No. 19 for reference and will be found in the appendix on pp. 12143, 12144.)

The CHAIRMAN. What was your proposal at that time; that is, the price of the book?

Mr. THOMPSON. Our proposal for 50,000 copies at this time was 63.8 cents. The reason for the difference in this price and that price is this is based on binding in a Novelex material, which is a less expensive material and does not contain the same number of illustrations and the wrapping of the illustrations and binding as the other one does.

The CHAIRMAN. In other words, the two prices actually compare favorably with respect to the kind of work you were to do?

Mr. THOMPSON. Yes, sir.

But the specifications on this are different.

The CHAIRMAN. That does not mean there had been an increase in price. It just meant that the latter proposal was on a little better production?

Mr. THOMPSON. Yes, sir. There may have been a small labor increase at that time. I don't recall. But it is mainly because of the specifications.

Mr. KENNEDY. Of course, if you only did five thousand or six thousand, or a small number of books, it would cost far more per copy, would it not?

Mr. THOMPSON. Yes, sir, because the makereadies and the preliminary work, the costs for that would be covered over a smaller number of copies, and, thus, your unit cost would be higher.

Mr. KENNEDY. But you see, Mr. Chairman, that Mr. Raddock discussed the larger number of books with him, the 60,000 books, and by that time, at the time the approach had been made to Mr. Thompson, the carpenters had already agreed to purchase and have produced some 60,000 copies.

The CHAIRMAN. A copy of the chart will be printed in the record at the point where Mr. Kennedy concluded his remarks of explanation.

Mr. KENNEDY. In addition to the 74 cents that we were talking about for the hard-cover book, you would have about 25 cents or 27 cents for postage and handling; is that right?

Mr. THOMPSON. Yes. As a matter of fact, on that previous exhibit, I noticed that we have a quotation on the bottom of that which shows 9½ cents for cartoning, inserting, delivering to post office, so if you took your 74 cents and added 10 cents to it, it would only be 75 cents, and with \$1.10, you would have 35 cents for postage, more than ample.

Mr. KENNEDY. So \$1.10 would be a sufficient sum to charge, and you would have done the work for \$1.10 a book?

Mr. THOMPSON. Yes.

Mr. KENNEDY. And that would have been the handling of the book and sending it out?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. With the carpenters or someone else providing the tapes, the names to whom it was to be sent?

Mr. THOMPSON. The Dick strips, yes.

Mr. KENNEDY. And those strips can be purchased, can they?

Mr. THOMPSON. Actually, they are generally purchased from list houses. You purchase a mailing list from a company that specializes in that, and they will furnish you either labels or Dick strips, which are imprinted and you apply them to the carton or to the magazines and mail them out.

It is rare that those lists are released by the companies that own them.

Mr. KENNEDY. Did you do it for \$1.10 a book? That would be a total cost to the carpenters if they had contracted directly to you, of some \$74,800; is that right, for the 68,000 books?

Mr. THOMPSON. Yes. That would be correct.

Mr. KENNEDY. Then let's call that \$75,000. So if we give them the \$50,000 initially given to him for research, plus the \$75,000 which would give Mr. Raddock a profit in sending the books out, that would be a total cost, a maximum, of \$125,000; isn't that right?

Mr. THOMPSON. That is right.

Mr. KENNEDY. That is what the figures show. Thus, looking at the figures here as to what Mr. Raddock received for the work that he did on this book, what would your conclusion be, Mr. Thompson?

Mr. THOMPSON. It is rather embarrassing. I think he did very well on it.

Senator ERVIN. Your conclusion would be that writing a biography at such a standard of pay would be a pretty good business to follow; wouldn't it?

Mr. THOMPSON. You could retire rapidly.

Senator ERVIN. I am sorry I didn't get into that kind of work.

Mr. KENNEDY. That is a profit over and above your profit of some \$185,000?

Mr. THOMPSON. Yes, it is quite substantial.

Mr. KENNEDY. Let us just talk about the \$50,000 originally. Isn't even that figure a considerable amount of money to get for the research and the writing and printing of 6,000 copies of a book?

Mr. THOMPSON. Well, that Mr. Counsel, pretty much depends on the organization. As a matter of fact, a great deal of our work is with individuals and companies that do this type of book, such as Northwestern University. We have done a series of books for them, and for various large corporations, and I know it depends again on the author and the type of work that is expected.

Some authors receive a great deal of money because of their name, and the quality of the type of book they will publish. Others receive very little. I have known of some books of 320 pages that were written for as little as \$750. I can cite an example, because I talked to Dr. Williamson of Northwestern University about this just before the meeting, and I asked him what it cost to do a book for a large corporation in the Middle West which we produced for them. This is a very large industry.

Dr. Williamson is head of the business book department of Northwestern University and they specialize in writing biographies and histories of corporations. This book which was approximately twice the size of this book, the history of a company in Milwaukee, took at least 2 years of research and about 8 to 9 months to produce, and a very expensive production job incidentally, and Dr. Williamson stated on the phone that that book, the research and the writing cost less than \$25,000.

The CHAIRMAN. That is a book twice the size of this?

Mr. THOMPSON. Yes, it is an 8½ by 11 book and it is about 420 pages, or 448 pages. I don't remember the exact number of pages.

The CHAIRMAN. And the research on that book cost less than \$25,000.

Mr. THOMPSON. The research and writing, which is done by the staff of Northwestern University, and Northwestern University have a staff.

The CHAIRMAN. Here it cost at least \$50,000, and one one knows how much it cost here.

Mr. THOMPSON. Actually, it depends. You can cite other cases. There was a large company in New Haven that had a book written by a very prominent author and they paid him \$25,000 to write the book. So you see, those things are hard to judge, and they will vary all over the lot, depending on the market.

Mr. KENNEDY. That doesn't vary very much. If you have a very prominent author—certainly Mr. Raddock wasn't in that category, was he? And still they only paid this prominent author only \$25,000.

Mr. THOMPSON. Actually, if I remember correctly, Mr. Raddock had mentioned that he had done another book, a book previous to this.

Mr. KENNEDY. Do you know what the name was?

Mr. THOMPSON. I don't recall the name, but I think it had to do with the Butchers Union, and I don't remember what it was. I was shown a copy and it was a small book however.

Mr. KENNEDY. Isn't that the book called I the Union by Joe Belsky, who is a vice president of the Butchers?

Mr. THOMPSON. Frankly, I don't recall.

The CHAIRMAN. Let me try to get this profit pinpointed here.

Now, based on your figures and your check on what it would cost to do the research, write the book, publish and print 68,000 copies of it, based on what you offered to do the work for, and what you find you could have got the book written for, what do you say it would have cost?

Mr. THOMPSON. Well, sir, under the specifications of this book and everything else, if we were approached to do a book like this, I think that everything could be covered with a profit that would be above our standard charges, for \$125,000.

The CHAIRMAN. You could do it for \$125,000, everything?

Mr. THOMPSON. We would welcome the opportunity, frankly.

The CHAIRMAN. Sir.

Mr. THOMPSON. We would welcome the opportunity, and make a very substantial profit on it.

The CHAIRMAN. You would accept it without any negotiated contract on that basis; would you?

Mr. THOMPSON. That is right.

The CHAIRMAN. If it was offered to you?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. Well, that leaves \$185,000 profit. \$185,000 is more profit than there was expense; is that correct?

Mr. KENNEDY. That is over and above the regular profit.

Mr. THOMPSON. That is the way it appears but I don't know what the expenses were, outside of what has been testified to.

Mr. KENNEDY. I was talking about if you were practical and economical, and you used just ordinary business judgment.

Mr. THOMPSON. That is the way it appears.

Mr. KENNEDY. Thank you.

So that we understand, that is \$185,000 better than the regular profit. That is not just profit.

The CHAIRMAN. That would be the profit over and above what others would do it for and make a profit?

Mr. THOMPSON. Yes, sir; I think that is right.

Senator ERVIN. That, as we call it in North Carolina, would be clover.

The CHAIRMAN. I would say it was a four-leaf clover, too.

All right, proceed.

Mr. KENNEDY. When did you receive the plates and the type to print the book?

Mr. THOMPSON. Well, actually we received the type, I believe, it was in November of 1956 that we received the actual type, which was set.

Mr. KENNEDY. November of 1955, isn't that?

Mr. THOMPSON. That is right, I am sorry.

Mr. KENNEDY. You kept that for how long?

Mr. THOMPSON. For approximately a year.

Mr. KENNEDY. I would like to have these letters made exhibits.

The CHAIRMAN. I hand you a letter or photostatic copy of two letters dated November 23, 1956, addressed, the first one, to Miss R. Quasha, Trade Union Courier Publishing Corp., of New York, which appears to be signed by Peter Grant, over the printed name of Stahley Thompson Associates. That is the first letter.

The next one is dated November 23, 1956, addressed to Mr. Melvin Friedman, Book Production Co., Brooklyn, N. Y., and it has only the typewritten signature of Stahley Thompson Associates.

The third one is dated November 27, 1956, and again it is to Miss Rhoda Quasha, Trade Union Courier Publishing Corp., and it has the typewritten authorship of Stahley Thompson Associates. I wish you would examine the three letters, photostatic copies of which I present to you, and state if you identify them.

(Documents were handed to the witness.)

Mr. THOMPSON. Yes.

The CHAIRMAN. You identify them?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. They may be exhibits 20, A, B, and C.

(Documents referred to were marked "Exhibits No. 20, A, B, and C," for identification and will be found in the appendix on pp. 12145-12147.)

The CHAIRMAN. You may interrogate the witness about the letters.

Mr. KENNEDY. These letters show, do they not, that you had the plates between November of 1955 and November of 1956?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. And that no books could have been printed in any other place, other than in your own shop while you had the prints?

Mr. THOMPSON. They couldn't have been printed with these illustrations, and we held the type because we had difficulties collecting our money, actually.

Mr. KENNEDY. You had difficulties collecting money from Mr. Rad-dock?

Mr. THOMPSON. Yes, sir.

Mr. KENNEDY. How much money was involved?

Mr. THOMPSON. Well, it finally went down to \$300, which we wrote off as a loss and released the plates, and that is why the \$385,000 looks so large to me.

The CHAIRMAN. Out of this \$310, you had to take a \$300 loss?

Mr. THOMPSON. We finally did, sir.

Mr. KENNEDY. He refused to pay you?

Mr. THOMPSON. Well, there was a great deal of discussion about it, and I don't remember about it, but we decided it wasn't worth the problem, and so we released the type to him.

Mr. KENNEDY. Was there also a question raised about producing the book in a nonunion shop?

Mr. THOMPSON. Well, actually that was part of an early conversation, and one of the conversations with Mr. Raddock and his office, and he mentioned the fact that a friend of his in the binding business asked why we didn't use a certain plant in Massachusetts. I said, "Well, I didn't think it was a plant to us because it was a nonunion plant," and he said, "Well, the prices would be cheaper, wouldn't they?" and I said, "Yes, but we wouldn't use the plant." Not for this book, and although we do work in that plant, and I don't want to infer we don't. But on this book we wouldn't and that was the conversation.

Mr. KENNEDY. He was even urging you to get the book produced in a nonunion shop, where it would be cheaper?

Mr. THOMPSON. I can't say he was urging, but the suggestion was there.

Mr. KENNEDY. He was suggesting that to you?

Mr. THOMPSON. It seemed that way at the time, and I know I was a little amazed.

The CHAIRMAN. The Chair presents to you what purports to be photostatic copy of a letter dated June 12, 1956, on World Wide Press Syndicate, Inc. stationery, and it is addressed to you, and it is signed, "Maxwell C. Raddock," and I hand you this letter and ask you if you identify the photostatic copy.

(A document was handed to the witness.)

Mr. THOMPSON. I recall this very well, sir.

The CHAIRMAN. You recall that very well?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. You received the letter?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. That letter may be made exhibit No. 21.

(The document referred to was marked "Exhibit No. 21," for identification and will be found in the appendix on p. 12148.)

Mr. KENNEDY. That letter states that he was writing to you, that he was disturbed that he had heard that the printing might be done in a nonunion shop, is that right?

Mr. THOMPSON. That is true, but we sent certifications actually from the unions of the plant, and the only thing we could not certify was whether or not the composition had been set in a union plant, because we did not set the composition, but everything else on that book was done under the union label.

Mr. KENNEDY. Now, Mr. Chairman, the only point is that that shows in June of 1956, you pointed out to an associate that Mr. Raddock had originally urged upon you or suggested that you use a nonunion shop, and it is on letter to that effect.

Mr. THOMPSON. I didn't know it was in the file.

The CHAIRMAN. The Chair hands you a photostatic copy of a letter of June 13, 1956, addressed to Mr. Melvin Friedman, and it appears to have been signed by your company, and will you examine it and state if you identify it.

(A document was handed to the witness.)

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. Did your firm dispatch that letter?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. It may be made exhibit No. 22.

(The document referred to was marked "Exhibit No. 22," for identification and will be found in the appendix on p. 12149.)

The CHAIRMAN. In that letter you were pointing out to Mr. Friedman that it had been suggested by Mr. Raddock that you give this printing of the book to a nonunion plant. Is that not correct?

Mr. THOMPSON. That is correct, and I didn't realize that I had written that, but it is true.

The CHAIRMAN. In other words, at that time you were carrying on correspondence with others in which you mentioned the suggestion had been made to you about having the book printed in a nonunion plant.

Mr. THOMPSON. Mr. Friedman is the man who actually produced the book for us, and we have no printing equipment, and we act as consultants, and it was at Mr. Friedman's plant.

The CHAIRMAN. Mr. Friedman's plant is a union plant?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. But you were pointing out to him it had been suggested that the work be done in a nonunion plant?

Mr. THOMPSON. That is right.

Mr. KENNEDY. Then, Mr. Chairman, just on the collecting of money, I have this letter.

The CHAIRMAN. You say there is an amount of a little over \$300 that you finally had to write off?

Mr. THOMPSON. Yes, sir, as I recall, and I don't remember the exact figures, sir.

The CHAIRMAN. Did you try to collect it by letter and by telephone?

Mr. THOMPSON. I think we tried every way possible, including our attorney.

The CHAIRMAN. And who is Miss R. Quasha?

Mr. THOMPSON. Well, Miss Quasha was Mr. Raddock's secretary, and she was the only other person we spoke to.

The CHAIRMAN. You had a telephone conversation with her?

Mr. THOMPSON. Yes, sir, and numerous times we had been promised checks and we hadn't received them.

The CHAIRMAN. I hand you here a photostatic copy of a letter of June 27, 1956, addressed to the lady, which seems to have been dispatched by you and your associates, and will you examine that copy and state if you identify it?

(A document was handed to the witness.)

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. It may be made exhibit No. 23.

(Document referred to was marked "Exhibit No. 23" for identification, and will be found in the appendix on p. 12150.)

The CHAIRMAN. In that, you were pointing out that you hoped they would keep their promise and send you the check for \$338?

Mr. THOMPSON. Yes, sir.

The CHAIRMAN. So, your testimony is pretty well documented with respect to your experience in this work?

Mr. THOMPSON. It seems to be.

The CHAIRMAN. All right.

Mr. KENNEDY. There is just one last matter, which is of some importance, that I would like to ask you about. How long would it have taken you to have printed up this book if the Carpenters had come to you and said they wanted 48,000 copies?

Mr. THOMPSON. I think, Mr. Counsel, the simplest way to answer that question is to give you the standard procedure in the publishing business. The average book in publishing, and that is not a special book but an average book in publishing, you allow 6 months for production, which includes about 4 months for actual composition and presswork and binding, and 2 months for promotion and distribution. That is to the various bookstores and so forth.

So, 6 months should have been ample time from completed manuscript, that is. However, this book was first rushed through post haste, and we actually borrowed paper from one of our other clients to get it through fast. That was the first run of this.

Mr. KENNEDY. You could have gotten this printed up, after you received the manuscript, in about 6 months?

Mr. THOMPSON. Six months maximum, I believe.

Mr. KENNEDY. For the whole 68,000?

Mr. THOMPSON. Yes. Actually, the quantity doesn't make much difference, because the presses run fairly fast, and you can turn out the copies.

The CHAIRMAN. So we have here a 3½-year job, and still not quite finished, or we will call it finished. I am sorry. It is a 4½-year job, and it took 4½ years to do what could have been done by efficiency of operation and diligence in 6 to 8 months' time. Is that a fair statement?

Mr. THOMPSON. I believe so, because that would be fairly standard practice.

Mr. KENNEDY. It doesn't include the writing.

The CHAIRMAN. But without including the writing?

Mr. THOMPSON. Yes, sir; that is exclusive of writing.

Mr. KENNEDY. At about 35 or 40 percent of the cost. Now, Mr. Chairman, we have here just the records that indicate how much was paid for the 8,100 books that were, in fact, printed, and we might want to have these as exhibits.

The CHAIRMAN. I hand you here four photostatic copies of what appear to be statements or documents from your files regarding the portrait of an American labor leader, and the author is Maxwell Raddock, and I believe that appears on each one of these photostatic copies that I hand you. I will ask you to examine them and state if you identify them, and then state what they are and what they represent.

(Document was handed to the witness.)

Mr. THOMPSON. These are the actual estimate sheets showing the broken-down cost that we furnish to all of our clients, and these were furnished to Mr. Raddock on the first printing and the second printing of the book. They are exact copies of our records.

The CHAIRMAN. They may be made exhibit 24, A, B, C, and D.

(Documents referred to were marked "Exhibit No. 24, A, B, C, and D" for identification; and may be found in the files of the select committee.)

The CHAIRMAN. Are there any other questions? Are there any other thoughts that you have that might be helpful to the committee?

Mr. THOMPSON. Not that I know of.

The CHAIRMAN. Is there any views you would like to give the working people who pay their dues about how to secure better and quicker results?

Mr. THOMPSON. I am afraid, sir, I wouldn't be in a position to offer them advice.

The CHAIRMAN. All right.

The committee will try in its comments to give some advice about it. Thank you very much, Mr. Thompson, and you have been quite helpful, and we appreciate the splendid cooperation you have given the committee.

Mr. THOMPSON. Thank you.

(At this point, the following members were present: Senators McClellan and Ervin.)

Mr. KENNEDY. Mr. Chairman, I now wish to call Mr. Paul Tierney to put in some documents in connection with the book.

The CHAIRMAN. Come forward, Mr. Tierney.

#### TESTIMONY OF PAUL TIERNEY—Resumed

The CHAIRMAN. Mr. Tierney, you have been previously sworn, have you?

Mr. TIERNEY. I have, Mr. Chairman.

The CHAIRMAN. You have in your possession certain documents related to the subject matter now under inquiry?

Mr. TIERNEY. I do, Mr. Chairman.

The CHAIRMAN. Will you present those documents for the purpose of their being made exhibits, and identify and verify them, please?

Mr. TIERNEY. These are photostatic copies of documents, Mr. Chairman, relating to the negotiations and dealings between Raddock and the United Brotherhood of Carpenters on the book.

The CHAIRMAN. Between Mr. Raddock and the——

Mr. TIERNEY. United Brotherhood of Carpenters.

The CHAIRMAN. And the United Brotherhood of Carpenters?

Mr. TIERNEY. That is correct.

The CHAIRMAN. What does it consist of: correspondence and other documents?

Mr. TIERNEY. It consists of executive board minutes, payments made to Mr. Raddock and correspondence, as well as the agreements between Mr. Raddock and the Carpenters.

The CHAIRMAN. You have the contracts, the agreements, you have those also?

Mr. TIERNEY. I do.

The CHAIRMAN. As you present each document, identify it, please, sir.

Mr. TIERNEY. I will. The first document is a sample of a letter dated December 24, 1953, from Mr. Albert Fisher, who was then gen-



eral secretary of the brotherhood, to various executive board members, seeking their approval on the book proposal. He wrote all of the executive board members and he received a response favoring the book as proposed.

The CHAIRMAN. Does the document contain the responses also?

Mr. TIERNEY. It contains the responses.

The CHAIRMAN. That document, the letter to the executive board members and their replies, may be made exhibit No. 25, A, B, C, D, and such other letters of the alphabet as are necessary to identify each document separately.

Mr. TIERNEY. I might point out that in the letter to the executive-board members, they were advised that the program as originally envisaged involved a payment of \$25,000 which would include the production of 6,000 copies of the biography, which was in accordance with the original agreement Raddock had with the brotherhood.

The CHAIRMAN. That would include writing the book, doing the research, publishing and printing 6,000 copies?

Mr. TIERNEY. That is correct.

The CHAIRMAN. That was the original contract, \$25,000?

Mr. TIERNEY. That is correct.

The CHAIRMAN. 6,000 copies at \$25,000?

Mr. TIERNEY. That is right.

The CHAIRMAN. But that included—

Mr. TIERNEY. Writing, and publishing and printing.

The CHAIRMAN. The research, the writing, the composition, and everything.

Mr. TIERNEY. That is correct.

(The document referred to was marked "Exhibit No. 25-A-G" for reference and may be found in the files of the Select committee.)

Mr. KENNEDY. That conforms to the letter that Mr. Raddock wrote originally?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. And that was in the letter of December 8?

Mr. TIERNEY. Yes, sir.

Next is a photostatic copy of a check payable to Maxwell Raddock in the amount of \$25,000 on January 8, 1954, which was the amount by the brotherhood to Mr. Raddock of the \$25,000 we have just discussed.

The CHAIRMAN. In other words, the full contracts for the production of the book and 6,000 volumes of it?

Mr. TIERNEY. That is correct.

The CHAIRMAN. That may be made exhibit No. 26.

Mr. TIERNEY. Accompanying this check, Mr. Chairman, is Mr. Raddock's acknowledgment of receipt of the check.

The CHAIRMAN. They will be marked "Exhibits 26A and B."

(The documents referred to were marked "Exhibits Nos. 26A and B" for reference and will be found in the appendix on pp. 12151-12152.)

Mr. TIERNEY. These are excerpts from four separate executive board meetings of the brotherhood relating to the book. The first is a meeting of February 22, 1954, at which time the executive board was acquainted with the book proposal generally. There were no specifics involved, at least according to the minutes there are no specifics set forth in the minutes. They were generally acquainted with the program in the wording. Then in the meeting of May 9, 1954, the execu-

tive board was advised that satisfactory progress was being made with respect to this book.

The CHAIRMAN. What date is that?

Mr. TIERNEY. May 9, 1954.

The CHAIRMAN. That was 4 months after the contract was made?

Mr. TIERNEY. That is correct.

The CHAIRMAN. All right.

Mr. TIERNEY. On February 10, 1955, the executive board points out that at the convention of November 1954 a resolution was passed to disseminate this book "in a suitable form to interested members and the general public, libraries and educational institutions throughout the world." In effect, the convention did approve the dissemination of the book.

The CHAIRMAN. All right.

Mr. TIERNEY. Then the meeting of February 20, 1956, which was approximately 3 months after the book had finally appeared, and the board was advised of the fine reception of the book.

The CHAIRMAN. Those documents may be made exhibit No. 27.

(The documents referred to were marked "Exhibits No. 27" for reference and may be found in the files of the select committee.)

Mr. TIERNEY. That is all.

The CHAIRMAN. Have you any other documents?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. All right.

Mr. TIERNEY. This document, Mr. Chairman, concerns the second \$25,000 payment which was made by the brotherhood to Mr. Raddock for additional research. The only record with respect to any approval of this particular payment was a hand memo pad piece of paper with handwritten notes on it, which reads "Maxwell C. Raddock, May 18, 1954, \$25,000."

The CHAIRMAN. That conforms to your chart, does it?

Mr. TIERNEY. That is correct.

The CHAIRMAN. That referred to the second payment of \$25,000?

Mr. TIERNEY. The second payment of \$25,000. Then there is a note here which has not been explained. "Telephone conversation with Charles Johnson 9:30 a. m. for M. A. H."

Charles Johnson is a member of the executive board of the brotherhood and M. A. H. are the initials of Mr. Maurice A. Hutcheson, the general president.

The CHAIRMAN. That may be made exhibit 28.

(The document referred to was marked "Exhibit No. 28" for reference and will be found in the appendix on p. 12153.)

Mr. TIERNEY. The next exhibit is a check payable to Mr. Max Raddock from the brotherhood in the amount of \$25,000 dated May 18, 1954, which is the \$25,000 paid to Mr. Raddock for the additional research.

The CHAIRMAN. That may be made exhibit No. 29.

(The document referred to was marked "Exhibit No. 29" for reference and will be found in the appendix on p. 12154.)

The CHAIRMAN. It seems that that notation on the previous exhibit was made 10 days after the check had been issued.

Mr. TIERNEY. I am sorry. Both dates are May 18 the same date.

The CHAIRMAN. They are both the same? I understood you to say May 28. The dates, then, correspond?

Mr. TIERNEY. Yes, sir, May 18.

Mr. KENNEDY. That is the only record, though, those handwritten notes, to indicate that the brotherhood had approved of the second \$25,000?

Mr. TIERNEY. That is right.

Mr. KENNEDY. I think that is of some interest, Mr. Chairman. This is the document which was used to substantiate another \$25,000.

The CHAIRMAN. They had originally approved \$25,000 by the board of directors giving their consent by letter?

Mr. TIERNEY. That is correct.

The CHAIRMAN. But you find nothing to approve the second payment of \$25,000 except the notations to which you have referred and which have been made exhibit No. 28?

Mr. TIERNEY. That is correct.

The CHAIRMAN. You may proceed. This is the only document that you found, if I recall, regarding the second payment?

Mr. TIERNEY. That is correct, Mr. Chairman.

The CHAIRMAN. That is, in pencil written memorandum or pen-written memorandum, plus the check for \$25,000?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. Do we know who that was written by?

Mr. TIERNEY. Yes, Mr. Fisher.

Mr. KENNEDY. Who was the secretary-treasurer at the time?

Mr. TIERNEY. Who was general secretary.

The next document is handwritten minutes dated February 14, 1955, of a conference of a committee appointed by President Hutcheson to meet with Mr. Raddock and the author of the biography on William L. Hutcheson.

Present at this conference, according to the initials, was O. W. B., which was Mr. O. W. Blaier, a vice president; Al E. F., Albert E. Fisher, general secretary; Frank C., Frank Chapman, general treasurer; and C. J. Jr., Charles Johnson, Jr., general executive board member; and Mr. Raddock.

The importance of this particular exhibit, Mr. Chairman, is that it records the minutes of the meeting of a committee of four representatives of the Carpenters concerning this agreement to pay Raddock \$200,000 for 50,000 books.

The CHAIRMAN. That document may be made exhibit No. 30. (The document referred to was marked "Exhibit No. 30" for reference and may be found in the files of the select committee.)

Mr. TIERNEY. I would like to read from it. It would probably be worthwhile to read the entire document.

(1) Decided March 31, 1955, will be publishing date of the book, in other words, deadline for the publication.

The deadline, therefore, has been moved up from November 1954 to March 31, 1955.

(2) Discussion of moneys already paid to Mr. Raddock (Chicago GEB meeting).

O. W. B. (that is Mr. Blaier) recalled conferences with Mr. Raddock and residential general officers at general office prior to the Chicago board meeting where Raddock explained to the residential board officers the need for receiving \$16,000 to \$25,000 more for research.

This was reviewed by the general executive board in Chicago and according to minutes made by General Secretary A. E. F. (Albert E. Fisher) in accordance

with memory of board member present at that meeting, the present situation is as follows:

The first \$25,000 paid to Mr. Raddock was toward purchase of 6,000 copies of book.

The \$25,000 from Chicago meeting was toward research expenses and no commitment for more books.

(3) Discussion of payments of further moneys to Mr. Raddock.

Committee agreed to make payment to Mr. Raddock of \$100,000 to apply toward the purchase of the 50,000 books authorized at Chicago general executive board meeting.

Balance of \$100,000 to be paid after the United Brotherhood of Carpenters receives the 56,000 copies of book or such number distributed in accordance with understanding.

In other words, before Mr. Raddock was to receive the balance of \$100,000, the condition precedent was the production of 56,000 books by the Carpenters or the distribution of the same.

Also Mr. Raddock to furnish the general secretary, A. E. F., that is Mr. Fisher with a bound list of names and addresses to whom copies of the book is being forwarded.

In return for advance of this \$100,000, of the initial \$100,000, Mr. Raddock is placing in hands of the general executive board a promissory document with respect to the fulfillment of the above.

The promissory document they were referring to is this performance agreement dated February 14, 1955, in which Raddock acknowledges receipt of \$100,000 paid in advance in part payment of order for 50,000 copies of said book at \$4 per copy, inclusive of mailing and handling.

Upon publication and shipment notices by author and publisher, the United Brotherhood shall pay to Raddock & Bros. the balance of \$100,000, it being agreed that the contract will be performed by March 31, 1955.

The CHAIRMAN. That document may be made exhibit No. 31.

(The document referred to was marked "Exhibit No. 31" for reference and will be found in the appendix on p. 12155.)

Mr. TIERNEY. In other words, by this agreement, Mr. Raddock has agreed to produce the books by March 31, 1955, and also produce a list of the recipients of this book to the brotherhood. Otherwise, he would not, according to the agreement, receive the \$100,000 balance which was due him.

The CHAIRMAN. That is the extra \$100,000?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. All right.

Mr. TIERNEY. The next exhibits are four checks, Mr. Chairman. The first is dated January 31, 1955, payable to Raddock & Bros. for \$50,000; the next is dated February 14, 1955, in the amount of \$50,000 payable to Raddock & Bros.; the next is dated March 31, 1955, in the amount of \$50,000 payable to Raddock & Bros.; and the fourth is November 29, 1955, in the amount of \$50,000, payable to Raddock & Bros.

The CHAIRMAN. The four checks may be made exhibit No. 32-A, B, C, and D.

(The documents referred to were marked "Exhibits Nos. 32-A, B, C, and D for reference and will be found in the appendix on pp. 12156-12160.)

Mr. TIERNEY. That comprises the \$200,000 paid to Raddock for the production of 50,000 books.

The CHAIRMAN. It amounts up to that time to \$250,000.

Mr. TIERNEY. That is right.

The CHAIRMAN. That is the \$200,000 plus the two \$25,000 previously paid?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. All right. It is \$250,000 up to now.

Mr. TIERNEY. The next exhibit is a letter dated February 24, 1956, to Mr. M. C. Raddock from Mr. Maurice A. Hutcheson, general president of the brotherhood, enclosing a check in the amount of \$50,000 for the additional purchase of copies of the book Portrait of an American Labor Leader: William L. Hutcheson.

So this is an additional \$50,000 which makes the total \$300,000 paid as of February 24, 1956.

The CHAIRMAN. What is attached to the letter?

Mr. TIERNEY. Attached to the letter is a check in the amount of \$50,000 dated February 24, 1956, payable to World Wide Press Syndicate, one of Mr. Raddock's firms.

The CHAIRMAN. The check may be made exhibit 33 and the letter may be made exhibit 33-A.

(The documents referred to were marked "Exhibits 33 and 33-A" for reference and will be found in the appendix on pp. 12161-12162.)

Mr. TIERNEY. Also in this connection is an authorization slip authorizing the payment of this particular check dated February 24, 1956, and O. K.'d by MAH.

The CHAIRMAN. That may be made exhibit 33B.

(The document referred to was marked "Exhibit 33B" for reference and will be found in the appendix on p. 12163.)

Mr. KENNEDY. We just have a few more, Mr. Chairman, and one more witness.

Mr. TIERNEY. Next is a letter dated December 13, 1956, from Mr. Albert E. Fisher to Mr. Raddock, requesting an additional 2,000 copies of the book to make up back orders that Mr. Fisher had received.

Mr. KENNEDY. The next exhibit, Mr. Chairman, is of some interest.

The CHAIRMAN. That may be made exhibit No. 34.

(The document referred to was marked "Exhibit No. 34" for reference and may be found in the files of the Select Committee.)

Mr. KENNEDY. The next exhibit is in connection with Mr. Raddock's attitude toward the Carpenters.

Mr. TIERNEY. This is a letter dated December 28, 1956, to Mr. Hutcheson. Mr. Fisher had died 2 days previously. This is in response to Mr. Fisher's letter.

Mr. KENNEDY. Mr. Fisher had requested 2,000 books. They had a backlog. The record shows he wanted some books to send out, and, of course, Mr. Raddock was way behind in the delivery of the books. This is the letter that Mr. Raddock's secretary wrote to tell him what he should do.

Mr. TIERNEY. The letter is to Mr. Hutcheson, dated December 28, 1956, signed by Rhoda Quasha, Mr. Raddock's secretary, which reads:

Per instructions from Mr. Maxwell C. Raddock, we have shipped exactly 2,000 books per the list furnished by the late Mr. Albert E. Fisher, general secretary of the United Brotherhood.

A bill for these copies is herein inclosed.

The bill was \$5 per book, the full price of the book, or \$10,000.

She goes on to say that—

Mr. Raddock did advise us that you and he had discussed a reduced rate as soon as you authorized a very substantial order.

As soon as he authorized a very substantial order. As of this time, they had ordered 66,000 books.

Mr. KENNEDY. And they had only produced 8,100, is that right?

Mr. TIERNEY. That is correct, as of December 28, 1956.

Naturally, we can't apply the same reduction to the above-mentioned shipment since these were printed at a considerably higher cost to us. As a matter of fact that depletes our present inventory of Mr. Raddock's book, except for about 1,000 or so copies.

As of this time, Mr. Chairman, Mr. Raddock had produced 8,100 books, and as Mr. Thompson had testified, had he at that time asked him to produce the 60,000 books, he could have obtained them for 74 cents a copy.

The CHAIRMAN. Are these the first books delivered after the 81,000?

Mr. TIERNEY. These are from the 8,100.

The CHAIRMAN. 8,100, I meant.

Mr. TIERNEY. Yes.

The CHAIRMAN. This 2,000 that is involved in this letter, that are referred to, is a part of the 8,100 books?

Mr. TIERNEY. They would necessarily have to come from the 8,100, because only 8,100 books had been produced as of that time.

The CHAIRMAN. And that left about 1,000 more, so I suppose 5,000, maybe, had been distributed prior to that time?

Mr. TIERNEY. They had.

Mr. KENNEDY. Here, Mr. Tierney, he is ordering 2,000 more books for \$10,000?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. And there is going to charge a greater price because he said that the carpenters had not ordered sufficient numbers.

Mr. TIERNEY. They had not as yet ordered in quantity.

Mr. KENNEDY. He charged them another \$10,000 and had never produced all the books. The books were printed back in March 1956. He had not produced all the books by June of 1957.

The CHAIRMAN. But these are the books in the original production of 8,100 copies.

Mr. TIERNEY. That is right.

The CHAIRMAN. So there had been no increased cost on these books. They had already been printed way back at an earlier date.

Mr. TIERNEY. That is right.

The CHAIRMAN. Yet the price went up.

Mr. TIERNEY. Yet the price went up.

The CHAIRMAN. That may be made exhibit No. 35.

(The document referred to was marked "Exhibit No. 35" for reference and will be found in the appendix on pp. 12164-12165.)

Mr. KENNEDY. This is the last one.

Mr. TIERNEY. This is the letter dated January 9, 1957, from Mr. Maurice Hutcheson, general president of the brotherhood, to Maxwell Raddock, enclosing the check for \$10,000 for these books in accordance with the bill submitted in the letter.

Also attached to the letter is a check dated January 9, 1957, in the amount of \$10.00, payable to the American Institute of Social Science, Inc. Attached to that is an authorization slip dated January 9, 1957, in the amount of \$10,000, O. K'd by MAH.

The CHAIRMAN. Those three items may be made exhibits 35A, B, and C.

(The documents referred to were marked "Exhibits Nos. 35A, B, and C" for reference and will be found in the appendix on pp. 12166-12168.)

Mr. KENNEDY. Mr. Tierney, under the contract and under the arrangement, Mr. Raddock was to produce these books for the Carpenters, is that right?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. And then these books were to be sent out to libraries, schools, union officials throughout the country?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. By the payment of this money, the Carpenters had paid for the books, had they not?

Mr. TIERNEY. They had.

Mr. KENNEDY. And that is for all of these books that are on this schedule, the Carpenters had paid for them?

Mr. TIERNEY. 68,000 books.

Mr. KENNEDY. In that connection, Mr. Chairman, I would like to call just one witness, Mr. Madden.

The CHAIRMAN. You do solemnly swear the evidence you shall give before this senate Select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MADDEN. I do.

#### TESTIMONY OF JOSEPH MADDEN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. MADDEN. Joseph Madden, 329 Stegman Parkway, Jersey City; secretary-treasurer of the Heavy and General Laborers Union, Local 472.

The CHAIRMAN. Do you waive counsel, Mr. Madden?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. How long have you been secretary-treasurer of local 472?

Mr. MADDEN. Since 1937.

Mr. KENNEDY. How long have you known Mr. Maxwell Raddock?

Mr. MADDEN. Approximately 12 years or so.

Mr. KENNEDY. Did he approach you in approximately May of 1957 about assisting him in the distribution of the book on Mr. William L. Hutcheson?

Mr. MADDEN. Yes, sir.

Mr. KENNEDY. He did?

Mr. MADDEN. Yes, sir.

Mr. KENNEDY. What did he want you to do at that time?

Mr. MADDEN. He asked me if our local union would send some books out to some libraries and prep schools, high schools and colleges. It was the life of Mr. Hutcheson. I told him at that time that I would take it up with our executive board in our union, and the following month I did and we took 75 books.

Mr. KENNEDY. All right.

The CHAIRMAN. Seventy-five?

Mr. MADDEN. Yes, sir.

Mr. KENNEDY. Seventy-five copies of the book?

Mr. MADDEN. Yes, sir.

Mr. KENNEDY. He gave you those books?

Mr. MADDEN. No, sir.

Mr. KENNEDY. You had to pay for the books?

Mr. MADDEN. The 75 books were to be mailed to these prep schools and so on.

Mr. KENNEDY. But the union paid for them?

Mr. MADDEN. Yes, sir.

Mr. KENNEDY. Some \$5 apiece?

Mr. MADDEN. \$5 apiece, \$375.

The CHAIRMAN. Do you mean \$375 that your union had to pay to get 75 copies to distribute them in libraries?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. And high schools and so forth?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. I thought that was the original purpose of the publication, and that they were paid for or purchased primarily for that purpose. Did you know these books had already been paid for once?

Mr. MADDEN. No. I didn't know anything about them.

The CHAIRMAN. You didn't know that he had already received over \$300,000?

Mr. MADDEN. I don't know anything about them.

The CHAIRMAN. You are learning about it then?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. I hand you here the check, a photostatic copy of the check, I presume issued by your local, to pay for these books. It is dated March 4, 1957. It is in the amount of \$375 and appears to be signed by you. Will you examine this photostatic copy and state if you identify it?

(The document was handed to the witness.)

Mr. MADDEN. Yes, sir.

The CHAIRMAN. Is that the check you issued in payment of the books for your union?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. That check may be made exhibit No. 36.

(The document referred to was marked "Exhibit No. 36" for reference, and will be found in the appendix on p. 12169.)

Mr. KENNEDY. After you paid the \$375, did Mr. Raddock furnish you a list of the institutions to which he was sending the copy of the book?

Mr. MADDEN. Yes, sir.

The CHAIRMAN. I hand you a photostatic copy of what purports to be that list, and ask you to examine it and state if you identify it.

(The document was handed to the witness.)

Mr. MADDEN. Yes, sir.

The CHAIRMAN. That may be made exhibit No. 36A.

(The document referred to was marked "Exhibit No. 36A" for reference, and may be found in the files of the selected committee.)

Mr. KENNEDY. While Mr. Madden is here, I would like to ask Mr. Tierney a question, Mr. Chairman.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Tierney, did Mr. Raddock furnish to the international, after we began our investigation a list of the institutions and individuals to whom he had sent copies of the books?

Mr. TIERNEY. That is correct, gentlemen.



Mr. KENNEDY. And these were institutions to whom he had sent the book in accordance with his agreement with the Carpenters?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. Have we made a spot check of the list he furnished to Mr. Madden and the list furnished to the Carpenters, to determine if there was a duplication?

Mr. TIERNEY. Yes. We have the same list here.

Mr. KENNEDY. Do we find there is in many instances, a duplication in the list that he furnished to Mr. Madden, for which they paid \$5 a copy and the list that they furnished the international?

Mr. TIERNEY. Yes, sir, we did.

Mr. KENNEDY. We know, beyond that, that the Carpenters paid for all of these books originally anyway?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. That was in accordance with the agreement?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. Do we know whether they sent two copies to the institutions on this list?

Mr. TIERNEY. We don't know, Mr. Chairman, whether or not the schools actually received two copies; no.

The CHAIRMAN. We just know that he reported on 2 different lists, 2 different sources to which he had sent the book?

Mr. TIERNEY. Yes. On the list he furnished the Carpenters, there is a list of those for which the Carpenters paid, and we found the same schools on that list as we found on the list furnished to Mr. Madden, for which his local paid.

Senator ERVIN. Mr. Madden, as I understand, you are secretary-treasurer of local 474, of what is properly called the Hod Carriers Union?

Mr. MADDEN. Yes, sir.

Senator ERVIN. And Mr. Raddock came to you and made a proposition that your local should buy 75 of these books at \$5 apiece, and that he would distribute them to approximately 75 different schools and institutions in New Jersey?

Mr. MADDEN. That is correct.

Senator ERVIN. And you thought it was a good thing, your local did, and made the purchase?

Mr. MADDEN. Yes, sir.

Senator ERVIN. Then you found out, later, that the same proposition had been made to the Carpenters, and that the Carpenters had also paid for books, or at least you found out—

Mr. MADDEN. No; I just heard that here today. This is the first I heard of it.

Senator ERVIN. I see.

Mr. KENNEDY. I might ask Mr. Deibel, who has already been sworn, a couple of questions.

The CHAIRMAN. All right; Mr. Madden, thank you very much.

#### TESTIMONY OF KARL E. DEIBEL—Resumed

Mr. KENNEDY. From a review of the records of Mr. Raddock, and his various companies, did you find that he charged some schools and institutions for the books that he sent them?

Mr. DEIBEL. Yes, Mr. Kennedy. We examined the records of the American Institute of Social Science, these records including sales invoices and cash-receipt books and bank statements. In fact, we found that 139 books were sold to libraries, colleges, and bookstores up through June of 1957, in addition to the 75 books that were sold to Mr. Madden, of local 472.

Mr. KENNEDY. How much were they sold for?

Mr. DEIBEL. They were sold at various prices from \$3.33 up to the \$5 figure.

Mr. KENNEDY. These were the same books that the Carpenters had already purchased; is that right?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. And paid either \$4 or \$5 a copy?

Mr. DEIBEL. Correct. We have various invoices recording the bills to public libraries, colleges, and so forth.

The CHAIRMAN. He not only got the \$310,000, but he collected double on a number of them.

Mr. DEIBEL. That is correct.

The CHAIRMAN. Do you know how many?

Mr. DEIBEL. We have not made a check of the list that was furnished to the international against this.

The CHAIRMAN. It is not necessary that a complete check be made, but have you made a sufficient check so that you know that that became a practice wherever he could do it, that he sold them?

Mr. KENNEDY. He testified there were over 100.

Mr. DEIBEL. That is correct, Senator.

The CHAIRMAN. Is there anything further?

Mr. KENNEDY. I don't believe so.

The CHAIRMAN. The Chair believes that will be enough for today, so we will stand in recess until 10:30 tomorrow morning.

We will reconvene in room 457. The committee stands in recess.

(Whereupon, at 4:25 p. m., the committee recessed, to reconvene at 10:30 a. m., Friday, June 6, 1958. At this point, the following members were present: Senators McClellan and Ervin.)

# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

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FRIDAY, JUNE 6, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10:30 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in room 457 of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Frank Church, Democrat, Idaho; and Senator Karl Mundt, Republican, South Dakota.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul J. Tierney, assistant counsel; Robert E. Dunne, assistant counsel; John J. McGovern, assistant counsel; Charles E. Wolfe, accountant, GAO; Francis J. Ward, accountant, GAO; Karl Deibel, accountant, GAO; and Ruth Young Watt, chief clerk.

(At the reconvening of the committee, the following members were present: Senators McClellan, Church, and Ervin.)

The CHAIRMAN. The committee will be in order.

Mr. KENNEDY. Mr. Chairman, I just want to call Mr. Tierney for a couple of minutes to get some documents into the record.

## TESTIMONY OF PAUL J. TIERNEY—Resumed

The CHAIRMAN. All right; Mr. Tierney has been sworn.

Mr. KENNEDY. Mr. Tierney, we have had some discussions about the book on Mr. William Hutcheson, and the books that were printed at the World Wide Press, the printing plant of Mr. Raddock.

Do you have the documents there showing the invoices on the paper that was ordered by World Wide Press?

Mr. TIERNEY. I do, Mr. Kennedy.

Mr. KENNEDY. The paper used in printing the book?

Mr. TIERNEY. Yes.

Mr. KENNEDY. The invoice for the first lot of paper is dated November 26, is that right, 1957?

Mr. TIERNEY. Invoice No. 23789, 1957, from the Congress Card & Paper Co. to World Wide Press, invoicing them for paper, English finish paper sold to World Wide Press.

Mr. KENNEDY. May we have that made an exhibit, Mr. Chairman?

The CHAIRMAN. It may be made exhibit 37.

(The document referred to was marked "Exhibit No. 37" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. That was the paper used in the printing of the Krome books?

Mr. TIERNEY. That is right, the first edition. Now I have invoice 24061, dated December 2, 1957, from Congress Card & Paper Co. to World Wide Press, for Krome Kote, which is used in conjunction with the printing of that particular edition of the book.

The CHAIRMAN. That may be made exhibit 37-A.

(The document referred to was marked "Exhibit No. 37-A" for reference and may be found in the files of the select committee.)

Mr. TIERNEY. And invoice No. 24293 dated December 5, 1957, from the Congress Card & Paper Co. for English finish paper and Krome Kote, used in conjunction with the printing of this particular book.

The CHAIRMAN. That may be made exhibit 37-B.

(The document referred to was marked "Exhibit No. 37-B" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. After that paper was used in connection with the books, the Krome-covered books, the World Wide Press made arrangements to have these books bound; is that right?

Mr. TIERNEY. A third of them.

Mr. KENNEDY. The order for the binding of a third of them was placed on December 18; is that right?

Mr. TIERNEY. As far as the binding for the books, the third bound, it was placed later than December 18. It was placed around December 26 or 27.

Mr. KENNEDY. Do you have the document there?

Mr. TIERNEY. No, we don't have the document on that particular binding. The documents we have relate to the binding of the second 10,000 books, Mr. Kennedy, the pages of which were printed at World Wide Press.

Mr. KENNEDY. What is the date of that?

Mr. TIERNEY. That is December 26, for which the order for the paper came in. The order for the binding was January 23, 1958.

Mr. KENNEDY. Wasn't there an order for the binding also on December 18, with the M & R Bindery, the records showing the order was placed December 18?

Mr. TIERNEY. I don't have that—

Mr. KENNEDY. In our record, it is No. 35. You don't have that?

Mr. TIERNEY. We have that particular exhibit, but the date isn't on it; the date isn't on that particular order, Mr. Kennedy.

Mr. KENNEDY. How did we reach the conclusion it was December 18?

Mr. TIERNEY. It was later that that, Mr. Kennedy. It was later than December 18.

Mr. KENNEDY. Well, let's go along. Do you have an exhibit there for the ordering of the paper for the hard-bound books?

Mr. TIERNEY. Yes.

Mr. KENNEDY. Summarize it, please.

Mr. TIERNEY. It is an invoice from the American Book Stratford Co., for white eggshell paper in the amount of \$2,995, dated December 26, 1957.

Mr. KENNEDY. So it shows the paper for the hard-bound book was not ordered until the day after Christmas, December 26, 1957?

Mr. TIERNEY. That is correct.

The CHAIRMAN. That may be made exhibit No. 37-C.

(The document referred to was marked "Exhibit No. 37-C" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. What about the binding of those books? Have you an order on that?

Mr. TIERNEY. Yes. On those books, we have here a copy of a customer's order card which we obtained from American Book Stratford, which shows that the order for the binding of those books was placed on January 23, 1958.

Mr. KENNEDY. January what?

Mr. TIERNEY. 23, 1958.

Mr. KENNEDY. So those books were not ordered to be bound until that date?

Mr. TIERNEY. That is correct.

Mr. KENNEDY. And then also on that date do you have an exhibit showing that some 30,000 more books were ordered from the same company, January 23?

Mr. TIERNEY. That is right, on January 23, as shown on the same order card.

The CHAIRMAN. These documents may be made exhibit 37 with the proper letter attached to them.

(The document referred to was marked "Exhibit No. 37A through E", reference may be found in the files of the select committee.)

Mr. KENNEDY. Is that all?

Mr. TIERNEY. We also have, Mr. Kennedy, a telegram which we received from American Book Stratford Press showing when the paper ordered for the hard-bound books, the insides of which were printed at World Wide Press, was delivered to American Press.

Mr. KENNEDY. What is that date?

Mr. TIERNEY. The date—the first part of the order was delivered on December 26, 1957. A second part of the order on December 31, 1957, and the final part of that order on January 7, 1958.

Mr. KENNEDY. All right.

The only point of all of this, Mr. Chairman, is to show that all of this activity took place well after our investigation started. That is all, Mr. Tierney?

Mr. TIERNEY. We also have a copy of delivery records of American Book Stratford which show the dates of the deliveries of all the books which were printed by American Book Stratford, manufactured by them, for World Wide Press.

(The document referred to was marked "Exhibit No. 37E" for reference and may be found in the files of the select committee.)

Mr. TIERNEY. We also have here complete invoices or billings to World Wide Press for books which were manufactured by American Book Stratford.

Mr. KENNEDY. I think we have the important dates in now.

Mr. TIERNEY. All right.

The CHAIRMAN. Those documents may be made part of exhibit 37 and lettered accordingly.

Mr. TIERNEY. Also we have an affidavit, executed by——

Mr. KENNEDY. I will put that in later.

Mr. TIERNEY. All right.

Mr. KENNEDY. Mr. Chairman, not only does it show that they started their deliveries of the books after the investigation started, but that they realized that they had been derelict by the intense activity that took place of making some 40,000 clothbound books and some 29 Krome cover books during this period of time immediately after our investigation began.

The CHAIRMAN. Call your next witness.

Mr. KENNEDY. Mr. Kuhn.

The CHAIRMAN. Be sworn, please.

Do you solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. KUHN. I do.

### TESTIMONY OF JOSEPH KUHN, ACCOMPANIED BY COUNSEL SEYMOUR WALDMAN

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. KUHN. Joseph Kuhn, 18 Victor Drive, Irvington-on-the-Hudson, N. Y. Printing-production man.

The CHAIRMAN. Printing-production what?

Mr. KUHN. Man. I am a printing-production manager.

The CHAIRMAN. You are in the printing-production business?

Mr. KUHN. That is right.

The CHAIRMAN. You have counsel.

Would you identify yourself for the record, please?

Mr. WALDMAN. Waldman & Waldman, 305 Broadway, New York City, N. Y., by Seymour Waldman.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Kuhn, you were working for the World Wide Press in what period of time?

Mr. KUHN. From May of 1957 to May 2 of 1958.

Mr. KENNEDY. What was your position there?

Mr. KUHN. Superintendent, plant superintendent.

Mr. KENNEDY. What?

Mr. KUHN. Plant superintendent.

Mr. KENNEDY. While you were there, from May 1957 to May 1958, were there some books printed up on William L. Hutcheson?

Mr. KUHN. Yes.

Mr. KENNEDY. When did that start? When did the printing start?

Mr. KUHN. The printing in our own plant?

Mr. KENNEDY. Yes.

Mr. KUHN. The printing in our own plant, to my best recollection, was started in the latter part of October, or the beginning of November. But since I had the conference with you yesterday, Mr. Kennedy, I checked with New York, and the suppliers of the paper, when the deliveries were made, being that you placed such importance upon the dates, whether it was the beginning of November or in October, and I received the information from the particular suppliers, and I find that the paper was delivered into World Wide Press around the 25th of November.

Mr. KENNEDY. The 25th of November?

Mr. KUHN. That is correct.

Mr. KENNEDY. So you began the printing after the paper was delivered?

Mr. KUHN. We started the production prior to that, because it is necessary in printing a book that a lot of preliminary work go into it, such as layout, laying out the forms.

Mr. KENNEDY. But you did not start the printing of any books until the end of November of 1957; isn't that right?

Mr. KUHN. The actual presswork did not start until the paper was in the house.

Mr. KENNEDY. 1957.

Mr. KUHN. That is right.

Mr. KENNEDY. Originally you had told me, did you not, that this started—when I first interviewed you in the office—you said this started in October 1956?

Mr. KUHN. I told you to the best of my knowledge at that time.

Mr. KENNEDY. Since that time——

Mr. KUHN. Since——

Mr. KENNEDY. You have refreshed your recollection?

Mr. KUHN. I haven't refreshed my recollection. I have checked with the delivery of the paper, being that such importance was placed on the date, the exact date. I called New York right after I left your office.

Mr. WALDMAN. Excuse me, Mr. Chairman, there is a phone call that I think Mr. Kennedy is interested in. May we suspend for a minute until I can take it?

The CHAIRMAN. We will suspend for a minute.

(Brief recess.)

(At the taking of the recess, the following members were present: Senators McClellan, Church, and Ervin.)

(At the reconvening of the committee, the following members were present: Senators McClellan, Church, and Ervin.)

The CHAIRMAN. The committee will come to order.

Proceed, Mr. Counsel.

Mr. KENNEDY. Mr. Chairman, the problem has been, in conversations with Mr. Kuhn and certain other officials of the company, to try to get the actual facts regarding the production of the books. It has been maintained by officials of the company, Mr. Max Raddock and Mr. Kuhn up until yesterday, that there was production of the book prior to the time our investigation began. We have been trying to pin down the facts on that. That is one of the reasons that Mr. Kuhn was called, because there was so much effort being made to try to make it appear that the production of the book was started prior to the investigation beginning.

I have some documents here that I would like to show you, Mr. Kuhn, in that connection. I would like to have you identify them, if you will.

The CHAIRMAN. I hand you two photostatic copies of a letter, one dated October 8, 1957, the other dated August 7, 1957. The letters are addressed to American Book, Stratford, New York, and appear to be signed by you. Please examine them and state if you identify them.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. KUHN. Yes, sir.

The CHAIRMAN. Do you identify these letters?

Mr. KUHN. Yes, sir.

The CHAIRMAN. The one dated August 7, 1957, may be made exhibit 38, and the one of October 8, 1957, will be made exhibit 38A.

(The documents referred to were marked "Exhibits 38 and 38A" for reference and will be found in the appendix on pp. 12170-12171.)

The CHAIRMAN. Mr. Kuhn, did you receive a reply to the letters of August 7, 1957, and October 8, 1957?

Mr. KUHN. I don't recall, sir.

The CHAIRMAN. Sir?

Mr. KUHN. I don't recall.

The CHAIRMAN. I hand you a photostatic copy of a letter purporting to be a reply to these two letters that you have testified about. I ask you to examine this photostatic copy of the reply and see if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. KUHN. Yes, sir.

The CHAIRMAN. That letter may be made exhibit 38B.

(The document referred to was marked "Exhibit No. 38B" for reference and will be found in the appendix on p. 12172.)

The CHAIRMAN. The letter of August 7, 1957, states:

This will confirm our order for the binding of 10,000 copies of Portrait of an American Labor Leader.

The one of October 8, says:

This will confirm our order for you to supply text paper, for printing of the text and complete binding of 30,000 copies of the Portrait of an American Labor Leader.

The letter received in reply, which you identify, and which was made exhibit 38B, reads as follows:

This is to acknowledge receipt of your orders for the binding of 10,000 copies, and also the printing and binding of 30,000 copies, of your book Portrait of an American Labor Leader.

The letter acknowledging the orders is dated January 22, 1958, and the letter further states:

We note, however, that the 10,000 order is dated August 7, 1957, and the 30,000 order is dated October 8, 1957. As you know, these orders were received by us on January 21, 1958, and I presume that these dates were overlooked by you when you signed the order.

This letter is from the American Book Stratford Press, Inc. Can you give us any explanation of why you dated these letters back when you sent them?

Mr. KUHN. Offhand I don't recall just why they were dated previously. There may be the possibility that the discussions had come up at that particular time and that those letters were dated as of the original time of discussions.

(At this point, Senator Ervin withdrew from the hearing room.)

The CHAIRMAN. It is perfectly obvious that the letters were not received, according to this, until January 21, yet one of them is dated back as far as August. This clearly indicates that no order had been given until the letter was received on January 21, and that the orders



were not given at the time the letters were dated. Does it not clearly indicate that?

Mr. KUHN. So it seems, according to those letters, sir.

The CHAIRMAN. And that is a fact, is it not?

Mr. KUHN. That the orders were not given at that time, sir?

The CHAIRMAN. That the orders were not given on the date of these letters, but were given here, the date of January 21.

Mr. KUHN. They were not given on the date of the original letters; no, sir.

The CHAIRMAN. And they were not received, and you know that, they were not received until the 21st of January, as this letter states.

Mr. KUHN. That is right.

The CHAIRMAN. What was the reason for dating these letters back, except for the fact that you were under investigation by this committee?

Mr. KUHN. I don't recall just exactly what—

The CHAIRMAN. You can't recall any other reason?

Mr. KUHN. No, sir.

The CHAIRMAN. So that must be the reason?

Mr. KUHN. I cannot assume that, sir. I don't know.

The CHAIRMAN. Sir?

Mr. KUHN. I don't know, sir.

The CHAIRMAN. You don't know. All right proceed.

Mr. KENNEDY. Mr. Chairman, I would like to just point out once again that it amounts to a conspiracy on the part of Mr. Kuhn and whoever instructed him to write these letters and date them back prior to the time our investigation began.

The CHAIRMAN. Who instructed you to handle the matter that way, Mr. Kuhn?

You were an employee. Who instructed you to handle this matter that way?

Mr. KUHN. I don't recall. The only instructions I took were from Mr. Raddock.

The CHAIRMAN. Mr. Raddock?

Mr. KUHN. That is correct.

The CHAIRMAN. Do you recall him having instructed you to handle the matter in this manner and date the letters back so it would appear that the orders had been given before the investigation started?

Mr. KUHN. I don't recall the exact conversations.

The CHAIRMAN. Do you recall some conversations about it?

Mr. KUHN. There may be a possibility, but I don't recall—

The CHAIRMAN. You said you did not recall the exact conversation.

Mr. KUHN. That is right.

The CHAIRMAN. What part of the conversation do you recall?

Mr. KUHN. I don't recall a particular conversation regarding that. I did not put too much emphasis on the amount of conversation in regard to the book outside of the fact of having to get the publication out.

The CHAIRMAN. Don't you want to be completely frank and candid about it and say you did receive orders to handle it that way because an investigation was on? Isn't that the truth?

Mr. KUHN. I couldn't answer that, to say that that—

The CHAIRMAN. You don't deny it, do you?

Mr. KUHN. I don't deny it; no, sir.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Chairman, that will be all for this witness. These letters are of great significance. As the witness admits, even up until yesterday he was maintaining that these books were being published or printed prior to the investigation. Of course, he corrects the record today. But we have another witness we would like to call now, Mr. Terkeltaub, who appeared before the committee in executive session, and who testified that approximately 20,000 of these books were published prior to our investigation.

The CHAIRMAN. All right, Mr. Kuhn, you may stand aside for the present.

Call Mr. Terkeltaub.

Do you solemnly swear the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. TERKELTAUB. I do.

### TESTIMONY OF JULIUS TERKELTAUB, ACCOMPANIED BY COUNSEL, JEROME LEWIS

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. TERKELTAUB. Julius I. Terkeltaub, 270 North Broadway, Yonkers, N. Y.

The CHAIRMAN. Do you have counsel present?

Mr. TERKELTAUB. I do, sir.

The CHAIRMAN. Did you state your occupation?

Mr. TERKELTAUB. I am presently salesman and night production man for World Wide Press Syndicate.

The CHAIRMAN. How long have you been with this publication?

Mr. TERKELTAUB. I have been with this printing plant since its inception in 1951.

The CHAIRMAN. Counsel, identify yourself for the record, please.

Mr. LEWIS. Jerome Lewis, 66 Court Street, Brooklyn, N. Y.

Mr. Chairman, with your permission, may I read into the record a short statement given—

The CHAIRMAN. May I see the statement, please?

Mr. LEWIS. I gave the original to Mr. Tierney yesterday morning.

The CHAIRMAN. This is signed by the witness?

Mr. LEWIS. Yes, sir.

The CHAIRMAN. It was delivered to the committee in proper time. The witness may read it.

Mr. LEWIS (reading):

At the executive session held on February 19, 1958, I testified that 2,000 to 3,000 books, Portrait of an American Labor Leader: William Levi Hutcheson, were printed in 1955 and between 10,000 to 25,000 books in 1956. And approximately 20,000 books were mailed out in 1955 and 1956; that several thousand were left over and not mailed. I wish to correct the aforesaid testimony, which is erroneous, and to the best of my recollection now state that in the latter part of 1955, about 9,500 books were printed in Vermont and shipped to World Wide Press Syndicate, Inc.

We distributed these books in 1955 and 1956. No books were printed at the World Wide plant in 1955 and 1956. Due to the fact that World Wide did a tre-

mendous amount of printing for the American Institute of Social Science, Inc., in 1956, relating to regional conferences of the United Brotherhood of Carpenters and Joiners of America, and the celebration of their 75th anniversary, I inadvertently mistook this printing which occurred in 1956 to be the printing of the books in 1956.

Mr. LEWIS. May I note for the record that this statement was dated June 5, 1958, and turned over to Mr. Tierney of the staff yesterday morning.

The CHAIRMAN. The Chair ascertained that the rule had been complied with, that it had been delivered to the committee a day in advance. It shows on the face of it the date it was delivered.

Mr. LEWIS. Thank you.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Chairman, I would like to point out that Mr. Terkeltaub appeared in the executive hearing and testified for approximately 2 hours and was asked in detail questions about the printing of this book, and testified on a number of occasions—for instance, on page 42, where he was asked the question—

Were any of them printed in your place in 1955,  
and his answer was—

Well, let us go back year by year. Were any of them actually printed in the World Wide Press in 1955?

Mr. Terkeltaub's answer was "Yes."

Question: How many were printed in 1955?

Answer: Several thousand.

Question: Would that be 2,000?

Answer: 2,000 or 3,000. I don't know the exact figures.

Question: How many were printed in 1956?

Answer: In 1956, I would say it exceeded 1955, because it was late 1955 that we started.

Question: That is fine, but how many were printed in 1956?

Answer: It ran into thousands. I couldn't say.

Question: Were there another couple of thousand in 1956?

Answer: I would say it would probably be 10,000, 15,000, or 20,000, somewhere in that area.

That was completely untrue. You didn't start printing the books, and the books were not printed, until 1958?

Mr. TERKELTAUB. We printed outside. The first batch were printed in Vermont.

Mr. KENNEDY. There is no question about that. You also testified to the fact that there were 9,000 other books printed outside your plant. You were specifically asked on this occasion and on others whether books were printed in your plant, and you did not tell the truth to the committee at that time. You told them that the books started being printed in 1955, you printed on through 1956, and you printed on through 1957, and that is all completely untrue. You knew it was untrue at the time you testified, Mr. Terkeltaub; isn't that correct?

(The witness conferred with his counsel.)

Mr. KENNEDY. You knew at the time you testified to this fact?

Mr. TERKELTAUB. I may have been telling an untruth, but it was a question of all this confusion.

Mr. KENNEDY. There wasn't any confusion. You were asked very clearly about these questions.

Mr. TERKELTAUB. You asked me to rely on my memory, sir.

Mr. KENNEDY. It doesn't tax your memory very much if the printing of books don't start until 1958, which is about a month or two prior to the time you are starting to testify, and you say they started back in 1955.

Mr. TERKELTAUB. Sir, we started production on this book in 1954.

Mr. KENNEDY. You didn't print any books in your plant.

Mr. TERKELTAUB. We didn't print any books in our plant in all that period.

Mr. KENNEDY. How could you start the production of the book in 1954?

Mr. TERKELTAUB. Well, the preparation of setting the book in type had to be done somewhere.

Mr. KENNEDY. When was the book written?

Mr. TERKELTAUB. The book was completed in 1955, from what I recall.

Mr. KENNEDY. Then how could you start printing the book in 1954?

Mr. TERKELTAUB. What is that, sir?

Mr. KENNEDY. How could you start printing the book in 1954?

Mr. TERKELTAUB. I didn't say anything about printing the book in 1954. I said production was underway in 1954.

Mr. KENNEDY. How could you start producing the book, with production underway in 1954, if it wasn't written until 1955?

Mr. TERKELTAUB. The thing is, while the book is being written, type is being set. That is understandable in any man's language. When a chapter is finished, it is being set by people on the machines.

Mr. KENNEDY. Mr. Terkeltaub, in any man's language, when you are asked a question of whether any books are printed, and you say several thousand were printed in 1955 and between 10,000, 15,000 and 20,000 in 1956, and there are none printed, that isn't telling the truth. When you testified to it under oath, there is a criminal penalty attached to it.

Mr. TERKELTAUB. I understand that, and I am telling the committee here, sir, that I made an error.

Mr. KENNEDY. You come in here and tell the committee after the investigation and the hearings begin. This is true of the whole investigation of this matter. We haven't gotten documents from your place. These documents that we introduced through Mr. Kuhn were never in the files of the World Wide Press. Falsification of the documents. Then you come in and testify falsely before the committee.

The CHAIRMAN. Do you have any other explanation of it?

(The witness conferred with his counsel.)

The CHAIRMAN. Have you any further explanation?

Mr. TERKELTAUB. I have none, sir.

The CHAIRMAN. This is the problem we have: We get you folks in here, and we have the experience over and over again of getting witnesses in, interrogating them, sometimes taking their testimony in executive session, and they give us all the trouble they can by not telling the facts as they know them to be.

Obviously, it is an attempt to mislead the committee. Then we go out and make the investigation and get the facts, get the truth, and when the witness finds out we have it, then they come in and do like you did this morning, retract their testimony and say you made an error. That just gets exasperating, to have to sit here and do this hard

work and get people in and place them under oath, then have them testify falsely to put us to a great deal of trouble.

Mr. LEWIS. Mr. Chairman, may I say this: Before any testimony was adduced yesterday, we had submitted our statement in the morning. The hearing started at 2 o'clock yesterday. So, the witness did not know what was going to be testified to by the other witnesses yesterday. This is a voluntary statement due to the fact that he had made a mistake, and when he did testify at the executive session it was to the best of his ability and recollection.

The CHAIRMAN. I do not want to argue anything with you, but, from the very beginning of this particular investigation, we have met with these sort of tactics, and it makes the work of the committee doubly hard. We just have to work that much harder to get the truth, when the truth could be given to us very simply and quickly.

This witness has had from last February 19, the time he testified. He has been up there, in the employ of that company. He has been there working. If he made an honest mistake it would have been quite easy for him to check the records and learn that he had made a mistake, and he could have acquainted the committee with it long before now. But now he waits until we have completed the investigation, and we have gone out and dug up these records, and now he comes in with the statement of having made an error.

Proceed.

Mr. KENNEDY. Once again, Mr. Chairman, they did not start producing the hard-cover books until January 1958, some 2 months prior to the time he testified before the committee.

Mr. TERKELTAUB. I wish to correct you, counselor. We printed the first books in 1955.

The CHAIRMAN. You say "we."

Mr. KENNEDY. Who is "we"?

Mr. TERKELTAUB. World Wide Press had them printed outside in 1955. Let's keep the record clear.

Mr. KENNEDY. We will keep the record clear. You were asked specifically about the books printed in the plant.

Mr. TERKELTAUB. I say now that we did not print the books in 1955.

Mr. KENNEDY. In executive session you were asked when they printed them in World Wide Press. The first time you started printing them in World Wide Press was January 1958, just 2 months prior to the time you testified; or 1 month. You said they had been printing them for 3 years. You could not forget that.

Mr. TERKELTAUB. Counselor, I will also say this, that production has been going on at World Wide Press in connection with the book.

Mr. KENNEDY. That is not the question.

Mr. TERKELTAUB. Just one moment, please. In connection with the book since early 1955, and this I would like to have on the record. We will not say that we did not do anything toward the end production of the book in all that period. Work was done on it.

Mr. KENNEDY. It is pretty important for a book to get it printed.

The CHAIRMAN. All right. Let's proceed.

Mr. KENNEDY. In connection with the documents, Mr. Chairman, I would like to ask this witness about this document.

The CHAIRMAN. I hand you a photostatic copy of a letter, or what appears to be a carbon copy of a letter, dated March 1, 1956, addressed

to Mr. Albert E. Fisher, general secretary, United Brotherhood of Carpenters and Joiners. It is signed by Julius Taub, manager, World Wide Press Syndicate, Inc. I ask you to examine that letter and state if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify the letter?

Mr. TERKELTAUB. I do, sir.

The CHAIRMAN. The letter may be made exhibit 39.

(The document referred to was marked "Exhibit No. 39" for reference, and will be found in the appendix on p. 12173.)

The CHAIRMAN. This letter states:

Mr. Fisher, we acknowledge herewith your order for the payment covering additional copies of Krome Kote edition "Portrait of an American Labor Leader: William L. Hutcheson," at \$3.50 per copy.

Per agreement with the author on behalf of Raddock and brothers, and World Wide Press Syndicate, we will henceforth bill you direct for all bulk orders in excess of 10,000 copies. Clothbound editions in the same quantities will be charged out to you at \$4 per copy.

Small orders, we were advised by the author, must be handled directly through American Institute of Social Science. The \$50,000 payment acknowledged here covering approximately 14,500 copies, will be put into production within 90 days, and will be kept in regular inventory for you to draw upon as you require. There will, of course, be no storage charges added by us, and shipment orders will be filled as heretofore.

The significance of this, I assume, is that you agreed in this letter, or your company did in this letter, of March 1, 1956, to immediately print 10,000 copies.

No, to immediately print 14,500 copies within the next 90 days. In other words, they should have been produced by August 1956.

Mr. KENNEDY. There is a greater significance, Mr. Chairman, to this letter. It is dated March 1, 1956.

When did you write this letter?

Mr. TERKELTAUB. It must have been, to the best of my recollection, the date——

Mr. KENNEDY. Did you write this letter on or about March 1, 1956?

Mr. TERKELTAUB. I did, sir.

Mr. KENNEDY. And you point out in here that you are confirming an order for these Krome Kote editions of "Portrait of an American Labor Leader"?

Mr. TERKELTAUB. To the best of my knowledge, yes, sir.

Mr. KENNEDY. On whose instructions did you write that letter?

Mr. TERKELTAUB. On Mr. Raddock's instructions.

Mr. KENNEDY. Why wasn't this letter in the regular files of the World Wide Press?

Mr. TERKELTAUB. I don't know where you got the copy of it. You must have gotten it from the World Wide Press.

Mr. KENNEDY. This was one of the documents that was produced a little later; we came up with this document. It was said that it was in Mr. Raddock's own personal file.

Mr. TERKELTAUB. Then that is where it must have been.

Mr. KENNEDY. Isn't it a fact that the Carpenters never ordered the cheaper edition of the book, and this letter was printed in order to once again fabricate the files in existence in World Wide Press?

Mr. TERKELTAUB. I wouldn't answer that question, sir, not the way it is put.

Mr. KENNEDY. You will answer the question. Is it true——

Mr. TERKELTAUB. Not the way you are phrasing it, sir.

Mr. KENNEDY. Is this letter part of a conspiracy to fabricate the files of World Wide Press?

Mr. TERKELTAUB. You want me to agree to a conspiracy?

Mr. KENNEDY. No. I want you to answer the question.

Mr. TERKELTAUB. Then I can't answer the question.

Mr. KENNEDY. On what grounds?

Mr. TERKELTAUB. On the grounds you are inferring there was a conspiracy.

Mr. KENNEDY. I am just asking you the question.

Mr. TERKELTAUB. I will refuse to answer the question, sir.

The CHAIRMAN. You are going to be ordered to answer the question. The question is: Was this letter placed in the files of the World Wide Press simply to fabricate the files, to make it appear that the letter was written at a time and date when it was not written?

Mr. TERKELTAUB. I don't know.

The CHAIRMAN. All right.

Mr. KENNEDY. You signed the letter.

Mr. TERKELTAUB. I admit to signing the letter. I admit to writing the letter.

Mr. KENNEDY. When did you write the letter?

Mr. TERKELTAUB. If it is dated March 1, 1956, I must have written it on that date.

Mr. KENNEDY. That doesn't necessarily follow. Mr. Kuhn's letters were dated August 7 and October 8, and he didn't write the letters on those dates. When did you write this letter?

Mr. TERKELTAUB. I am saying that I must have written it on that date.

Mr. KENNEDY. Did you in fact write this letter on or about March 1, 1956?

Mr. TERKELTAUB. To the best of my knowledge and recollection, I did.

Mr. KENNEDY. Did you send it out on or about March 1, 1956?

Mr. TERKELTAUB. To the best of my recollection, yes.

Mr. KENNEDY. Mr. Chairman, we have some further testimony, indicating that this letter is also a fraud and fabrication.

The CHAIRMAN. Are there any other questions of this witness?

Mr. KENNEDY. That is all for now.

The CHAIRMAN. You may stand aside for the present. Call the next witness.

Mr. LEWIS. Is the witness excused?

The CHAIRMAN. No; he better remain here today.

Mr. KENNEDY. Who was your secretary during this time?

Mr. TERKELTAUB. Do you mean my office girl?

Mr. KENNEDY. Yes.

Mr. TERKELTAUB. Miss Barbara Koval.

Mr. KENNEDY. Did you dictate this letter to her?

Mr. TERKELTAUB. I did not.

Mr. KENNEDY. Aren't B. K. her initials on the bottom?

Mr. TERKELTAUB. This is a habit of mine. Are you continuing to questioning?

Mr. KENNEDY. I am asking you a question. What is the habit?

Mr. TERKELTAUB. What is that, sir?

Mr. KENNEDY. What is the habit of yours?

Mr. TERKELTAUB. My habit is, you see that that is a carbon copy of a letter, and you find a signature. When I pull my copies out of the typewriter, out of habit, force of habit, I use the two initials and my own initials in the corner. I do my own typing and my own composition of letters.

Mr. KENNEDY. You type the initials on the bottom?

Mr. TERKELTAUB. Yes, sir.

Mr. KENNEDY. Even when you don't dictate to the girl?

Mr. TERKELTAUB. That is right.

Mr. KENNEDY. And this has the initials, Mr. Chairman, J. I. T.—is that you, Mr. Julius Taub?

Mr. TERKELTAUB. Yes.

Mr. KENNEDY. Then it has the initials of the stenographer, B. K. You didn't dictate this?

Mr. TERKELTAUB. I did not dictate it.

Mr. KENNEDY. You just put her initials down there, is that right?

Mr. TERKELTAUB. That is right.

Mr. KENNEDY. That is very interesting.

The CHAIRMAN. This girl B. K.—what is her name?

Mr. TERKELTAUB. Barbara Koval.

The CHAIRMAN. Is she a stenographer?

Mr. TERKELTAUB. I don't think she ever took any shorthand; no, sir.

Mr. KENNEDY. That is all.

The CHAIRMAN. All right. You may stand aside for the present. Call the next witness.

Mr. KENNEDY. Miss Keen, please.

The CHAIRMAN. Be sworn, please. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Miss KEEN. I do.

### TESTIMONY OF ROSEMARY KEEN

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Miss KEEN. I am Rosemary Keen. I live at 522 North Oakland, Indianapolis, Ind., and I am a secretary to the United Brotherhood of Carpenters.

The CHAIRMAN. Secretary to whom?

Miss KEEN. I was secretary to Mr. Fisher.

The CHAIRMAN. Of the Carpenters' Union?

Miss KEEN. Yes, sir.

The CHAIRMAN. All right. Do you waive counsel?

Miss KEEN. I waive counsel.

The CHAIRMAN. Thank you very much; all right.

Mr. KENNEDY. Mr. Fisher was the general secretary of the Carpenters, is that right?

Miss KEEN. Yes, sir.

Mr. KENNEDY. That is, until his death in when?

Miss KEEN. 1956, December 22.



Mr. KENNEDY. Now Mr. Richard Livingston is the general secretary?

Miss KEEN. Yes, sir.

Mr. KENNEDY. Mr. Fisher, during his lifetime, had some dealings with Mr. Raddock in connection with this book, did he not?

Miss KEEN. That is right.

Mr. KENNEDY. Did he express a good deal of concern regarding the nonproduction of the book?

Miss KEEN. He was somewhat concerned about it; yes.

Mr. KENNEDY. Did he, on occasion, get in touch with Mr. Raddock regarding the production of the book?

Miss KEEN. Through correspondence.

Mr. KENNEDY. He did have correspondence with Mr. Raddock, requesting that the book be produced in greater numbers, is that right?

Miss KEEN. I don't definitely recall that.

Mr. KENNEDY. What was the correspondence about, then?

Miss KEEN. Well, what I remember mostly about was concerning records and things of that nature, furnishing records.

Mr. KENNEDY. Was there also some correspondence to the effect that the book was not being produced on schedule?

Or to that general effect?

Miss KEEN. Well, I can't definitely remember that, sir.

Mr. KENNEDY. Was there correspondence about the fact that he should furnish the list to whom he was supposed to be sending the book?

Miss KEEN. That is right.

Mr. KENNEDY. Did he express concern to you on occasion that Mr. Raddock had not been producing this book?

Miss KEEN. Not the book, but the list that he was concerned about.

Mr. KENNEDY. Miss Keen, was he concerned at all during this period of time about the fact that the book was not being produced on schedule, and lists were not being furnished?

Miss KEEN. Yes; he was concerned.

Mr. KENNEDY. Did he on occasion talk to Mr. Hutcheson about this matter?

Miss KEEN. He talked to him about the book—I mean as to what particular matter I don't recall.

Mr. KENNEDY. Well, did he express to you the concern about the book, and did he tell you that he was going to talk to Mr. Hutcheson about the book, and about the fact that the book had not been produced?

Miss KEEN. I don't definitely recall that particular conversation.

Mr. KENNEDY. What do you recall about the book that he said he was going to discuss with Mr. Hutcheson?

Miss KEEN. Well, I don't recall particularly on the book. As to our records——

Mr. KENNEDY. Miss Keen, I will say this, you have forgotten a lot in 24 hours. I discussed this with you in my office yesterday.

Miss KEEN. Yes.

Mr. KENNEDY. You said he discussed the book with Mr. Raddock and the fact that he was concerned over the book not having been produced, and you said that he also discussed this matter in general terms with Mr. Hutcheson and the fact that the book was not produced. You told me that 24 hours ago.

Miss KEEN. I don't remember telling you that exactly. I said I remembered him discussing the book with Mr. Hutcheson, but as to exactly what the conversation was, I don't know.

Mr. KENNEDY. Didn't I also ask you about whether Mr. Fisher had expressed concern about the production of the book?

Miss KEEN. I believe you did. I am not real sure.

Mr. KENNEDY. Didn't you tell me yesterday that he did express concern on a number of occasions?

Miss KEEN. He expressed concern about our records.

Mr. KENNEDY. Miss Keen, I can't understand this. You were interviewed first by our investigator some months ago, in which you made these statements. You were interviewed by me yesterday. You said that he expressed concern not only to Mr. Raddock, but that he on occasion told you that he was going to see Mr. Hutcheson about it, and that Mr. Hutcheson, when he had this conversation with him—you didn't tell me this yesterday, but you told our investigator prior to that—that Mr. Hutcheson just dismissed the matter. All of this you have forgotten in the last few days?

Miss KEEN. I haven't forgotten. I don't remember having gone through that.

Mr. KENNEDY. Do you remember having these discussions with us?

Miss KEEN. Yes, sir, but I don't memorize everything that was said.

The CHAIRMAN. I hand you exhibit No. 39, a letter dated March 1, 1956, written to Mr. Albert E. Fisher, and signed by Julius Taub. I asked you to examine this letter and state if you identify it or if you ever saw it before.

(The document was handed to the witness.)

Miss KEEN. I never saw this letter.

The CHAIRMAN. Did you handle the correspondence for Mr. Fisher?

Miss KEEN. Yes, sir.

The CHAIRMAN. Did you also do the filing of the correspondence?

Miss KEEN. Yes, sir.

The CHAIRMAN. Was such a letter ever received, to your knowledge?

Miss KEEN. To my knowledge it was not received.

The CHAIRMAN. This letter, I believe, was produced by Mr. Taub?

Mr. KENNEDY. It was produced ultimately by Mr. Raddock. We went through the regular books and records of World Wide Press. As I said, a great number of the documents were missing. Subsequently, Mr. Raddock produced some documents, and this was one of them, which he stated had been in his own personal files. The significance of this letter, Mr. Chairman, is that Mr. Raddock was producing all of these cheap kinds of books, and this letter makes it appear that he wrote to the Carpenters confirming an order by Mr. Fisher to produce a lot of cheap paper-covered books.

That is the significance of the letter.

That letter was never in the records. Mr. Tierney can testify to that. Have you been through the records of the Carpenters, and is there such a letter in the records of the Carpenters?

Mr. TIERNEY. No; there is not. The original of that letter is not in the records of the Carpenters.

The CHAIRMAN. Had the letter been received, in the course of your duties would it have come to your attention for filing?

Miss KEEN. Yes, sir.

The CHAIRMAN. You say it was never received?

Miss KEEN. To my knowledge it was never received.

The CHAIRMAN. All right.

Mr. KENNEDY. You handled all the mail, all the correspondence coming in, in your position?

Miss KEEN. That is right.

The CHAIRMAN. I will ask you: Had that letter been received, it would have been in its proper file in your office?

Miss KEEN. Yes, sir.

The CHAIRMAN. Our investigator says that he has searched the files, and no letter appears in the files, the original letter does not appear there. You have never seen such a letter?

Miss KEEN. No, sir; I have not seen that letter.

Mr. KENNEDY. Could we have her identify these letters, Mr. Chairman? These are letters from Mr. Fisher, but Mr. Fisher being dead, I would like to put them into the record through her.

The CHAIRMAN. I hand you another photostatic copy of a letter apparently to Mr. Fisher, signed by Maxwell C. Raddock, dated December 10, 1956. I will ask you to examine that letter and state if you identify it as a letter that was received at your office.

(The document was handed to the witness.)

Miss KEEN. This letter was received by Mr. Fisher.

The CHAIRMAN. It was received. It may be made exhibit No. 40.

(The document referred to was marked "Exhibit No. 40" for reference and will be found in the appendix on p. 12174.)

The CHAIRMAN. Now I hand you a photostatic copy of a letter dated December 13, 1956, addressed to Mr. Maxwell C. Raddock, and apparently signed by Albert Fisher. I will ask you to examine it and state if you recall that letter and can identify it.

(The document was handed to the witness.)

Miss KEEN. This letter was written by Mr. Fisher.

The CHAIRMAN. Was it dictated to you?

Miss KEEN. Yes, sir.

The CHAIRMAN. And you transcribed it?

Miss KEEN. That is right.

The CHAIRMAN. So you recall it. Then that letter may be made exhibit 40-A.

(The document referred to was marked "Exhibit No. 40A" for reference and will be found in the appendix on p. 12175.)

Mr. KENNEDY. I am going to try to work this matter out. When the lists were not forthcoming, was that an indication to Mr. Fisher in conversations that you had with him, that the book was not being produced on schedule?

Miss KEEN. I don't know, sir.

Mr. KENNEDY. Why was he concerned about getting the lists?

Miss KEEN. He wanted to see to whom the book had been mailed.

Mr. KENNEDY. Did he have the feeling that the book wasn't going out to all those it was supposed to go to?

Miss KEEN. Yes.

Mr. KENNEDY. He did have?

Miss KEEN. Yes.

Mr. KENNEDY. He did have some concern about that; is that right?

Miss KEEN. He did have some concern; yes, sir.

Mr. KENNEDY. About the fact that the book was not going to people it was supposed to go?

Miss KEEN. Yes, because he had not received that list.

Mr. KENNEDY. Was he concerned, then, that possibly the book wasn't being produced as it was supposed to be?

Miss KEEN. Well, that I don't recall.

Mr. KENNEDY. Did he tell you that he was going to express his concern to Mr. Hutcheson about the fact that people weren't getting the books that were supposed to get the books?

Miss KEEN. I don't remember that definitely; no.

Mr. KENNEDY. Well, you said that he discussed the list with Mr. Hutcheson.

Miss KEEN. Yes.

Mr. KENNEDY. If he was going to discuss the list, according to the conversations that he had with you, he was going to discuss the fact that individuals who were supposed to get the books did not get the books?

Miss KEEN. Well, it would follow, I presume, but I don't know definitely that he discussed that.

Mr. KENNEDY. All right.

The CHAIRMAN. This letter that you took, that was addressed to Mr. Raddock, in reply to his letter of December 1, I will not take time to read all of it, but it clearly indicates that Mr. Fisher was very unhappy with the relationship between the Carpenters and Mr. Raddock. It starts off and says—

In reply to your letter of December 10, I am sure the committee of the general executive board will be pleased to learn the entire list will be completed before the end of this month and be in our hands without fail. I have just noticed with great interest your other comments, and it is not a question of chastising or being disagreeable, but just a matter of determination on behalf of the committee to obtain this information, to which they are rightfully entitled in order to make a complete report to the general executive board.

So he was complaining that Mr. Raddock was not performing according to his contract, isn't that true?

Miss KEEN. Yes, sir.

The CHAIRMAN. And Mr. Raddock was refusing or hesitating or delaying in some way the submitting of a list of those to whom he had mailed the book. That is what this is about, is it not?

Miss KEEN. That is right.

Mr. KENNEDY. Mr. Chairman, he states in here that he was going to send the list in almost immediately, and at the time we had our interviews with the Carpenters in January of 1958, the list still had not been submitted. It was not submitted, actually, until after our executive session on February 19, 1958.

The CHAIRMAN. Are there any further questions? If not, thank you very much.

Miss KEEN. You are welcome.

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Graeber.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. GRAEBER. I do.

## TESTIMONY OF ISAQUE GRAEBER

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. GRAEBER. My name is Isaque Graeber. I live at 2272 Strauss Street, Brooklyn, N. Y. I am an author, educator, and at present director of education of the American Institute of Social Science.

The CHAIRMAN. Thank you very much. Do you waive counsel, Doctor?

Mr. GRAEBER. Yes; I do, Senator.

The CHAIRMAN. Proceed.

Mr. KENNEDY. How long have you worked for World Wide Press or Social Science? What is it?

Mr. GRAEBER. The American Institute of Social Science, Inc.

Mr. KENNEDY. How long have you worked there?

Mr. GRAEBER. The American Institute itself was organized, I think in the year 1956, about 2 years ago, for serious studies, but I was engaged prior to that. I have been with the firm, with the Raddock firm, since November 1953.

Mr. KENNEDY. The American Institute of Social Science is owned by Max Raddock?

Mr. GRAEBER. I was one of the subscribers and founders, and Mr. Raddock is the president, I assume.

Mr. KENNEDY. What is your position there?

Mr. GRAEBER. My position is I am director of research.

Mr. KENNEDY. Are you on a salary there?

Mr. GRAEBER. I am on a salary, definitely.

Mr. KENNEDY. You worked on the Portrait of an American Labor Leader, Dr. Graeber?

Mr. GRAEBER. Well, the credit line is given me in the preface to understanding, that is, the introductory statement to the work. I am there classified, this is my byline, as the director of research.

Mr. KENNEDY. What is your salary there, about \$100 a week?

Mr. GRAEBER. My salary is \$125 a week.

Mr. KENNEDY. How much was it at the time?

Mr. GRAEBER. \$125.

Mr. KENNEDY. At that time?

Mr. GRAEBER. Yes.

Mr. KENNEDY. You did work on the book?

Mr. GRAEBER. Well, as I said, my credit line is—it is very clear—it is that of director of research.

Mr. KENNEDY. As a matter of fact, did you write most of the book?

Mr. GRAEBER. The answer is "No."

Mr. KENNEDY. Did you tell our investigators that you had, in fact, written most of the book?

Mr. GRAEBER. I did not.

Mr. KENNEDY. Were you interviewed by Mr. Dunne and Mr. Tierney?

Mr. GRAEBER. I was.

Mr. KENNEDY. When they told you that they had that information, did you ask them how they knew that you had written the book?

Mr. GRAEBER. Well, at this stage we have to enter into a very theoretical plane.

Mr. KENNEDY. I am just trying to find out who wrote the book,

Mr. GRAEBER. The answer is "No."

Mr. KENNEDY. Did you tell them at that time?

Mr. GRAEBER. I did not. I don't think the gentlemen—I was a little—I don't recall at this time because the process of writing a book is a very complicated one, as you well know, or your brother knows.

Mr. KENNEDY. Mr. Chairman, Mr. Dunne and Mr. Tierney are present at this time, and Mr. Tierney possibly could give exactly what Mr. Graeber said to him when he spoke to him about writing the book.

Mr. TIERNEY. We indicated to him that we heard he had ghost-written the book and his response was how did we know? Thereafter, he was concerned, expressed great concern over this matter, and indicated that if this information came out, he might lose his job and he had a family and responsibilities.

**Mr. KENNEDY. Mr. Dunne, have you been sworn?**

Mr. DUNNE. I was sworn in this present hearing; yes, sir. I remember the incident quite well, and that is exactly what happened.

Mr. KENNEDY. What did Dr. Graeber say at the time you spoke to him about ghostwriting the book?

Mr. DUNNE. We asked Dr. Graeber wasn't it a fact that he had written the book, and he was very upset and wanted to know where we got this information, and was distressed that if this information came out he would lose his job.

Mr. KENNEDY. How long did you work on the book?

Mr. GRAEBER. I did not work on the book. Would you permit me to explain—if you will permit me, I will explain the matter in its entirety.

The CHAIRMAN. Explain what?

Mr. GRAEBER. May I explain, Senator, the manner in which this book had been written? I think it might shed a little light, I think, on this whole business of writing the book, and probably also why the book had been delayed, as far as I could see. I am not a production man, nor am I a manufacturer of books, but if you permit me, Senator, I would like to say a few words.

We had written three versions of this book——

(At this point, Senator Mundt entered the hearing room.)

The CHAIRMAN. Just tell us what you had to do with this book.

Mr. GRAEBER. I was the director of research, which means that I had been responsible for assembling all the materials from primary sources, meaning the executive committee minutes of the American Federation of Labor, the personal records of Mr. William L. Hutcheson. It also meant preparation of special questionnaires to check on special information, of facts, and verify facts, and considerable traveling was also involved.

There were a number of interviews held with a number of labor leaders all over the country, and also simple folk who had known William L. Hutcheson. We had prepared, assembled, all the materials, and I had also two assistants who helped me with the secondary materials, of a socio-economic and historical nature.

Briefs were prepared, an analysis was prepared, and these materials, in turn, were turned over to Mr. Raddock. The version is his own. We had written three versions of the William L. Hutcheson book, as a matter of fact.

The CHAIRMAN. We? Who?

Mr. GRAEBER. The first version. Well, that means Mr. Maxwell C. Raddock and I wrote—actually, the first version was written in collaboration with Mr. Maxwell C. Raddock, and I was not at all happy.

The CHAIRMAN. Let's get it straight now, this controversy. This needs to be clear. You and who wrote the first version of the book?

Mr. GRAEBER. Mr. Maxwell C. Raddock.

The CHAIRMAN. You mentioned someone else a moment ago.

Mr. GRAEBER. No. I mentioned we had two researchers.

The CHAIRMAN. Let's see if we get this straight. There have been three versions of the book written?

Mr. GRAEBER. That is correct, Senator.

The CHAIRMAN. Who wrote the first version?

Mr. GRAEBER. The first version was written by Mr. Maxwell C. Raddock and myself. We were not at all happy with that version.

The CHAIRMAN. Who wrote the second version?

Mr. GRAEBER. We then modified it and the second version was written by Mr. Maxwell C. Raddock.

The CHAIRMAN. Who wrote the third version?

Mr. GRAEBER. The third version, the final version, was written entirely by him, and he alone is responsible for the book.

The CHAIRMAN. He may be responsible for the book. But the question is here, according to the investigators, when they asked you about writing the book, you became very distressed and made comment about if that information got out, that you had been the ghostwriter of the book, it might cause you to lose your job or something, and you had a family.

Mr. GRAEBER. I think the interpretation is somewhat lax, if I may say so, Senator.

The CHAIRMAN. Somewhat what?

Mr. GRAEBER. The interpretation of my emotional reactions to this revelation that I am the author of this book were somewhat misinterpreted, because I did express concern over this revelation, sudden revelation, that was given to me on that day, that I wrote the book. I told them that the process of writing a book was a very complicated one. That is about all that they could—I mean, to interpret my own personal emotional reaction to this thing.

The CHAIRMAN. Did you say something about the fact that you didn't want it to be known, because it might cost you your job? Did you make some remark like that?

Mr. GRAEBER. Well, naturally I was disturbed.

The CHAIRMAN. Yes.

Mr. GRAEBER. That is, by the fact—by this revelation, and it was around this revelation that my entire reaction centered, as a matter of fact.

The CHAIRMAN. It gave you some concern?

Mr. GRAEBER. It did give me concern: yes.

The CHAIRMAN. You obviously showed a little concern?

Mr. GRAEBER. Yes; I did.

(At this point, Senator Mundt withdrew from the hearing room.)

Senator CHURCH. When you refer to the term "revelation," you say you were concerned over the revelation. What revelation, the statement on the part of the investigators that you had written the book?

Mr. GRAEBER. Yes.

Senator CHURCH. Why were you concerned about it if it were not so?

Mr. GRAEBER. Why was I concerned?

Senator CHURCH. Yes.

Mr. GRAEBER. Because it was not the fact.

Senator CHURCH. You were concerned because it was not a fact? If it was not the fact, what concerned you? Why were you concerned?

Mr. GRAEBER. Well, the very information that was revealed to me that I thought was exaggerated, exaggerated. My role and contribution to the book was that of a research director, and when the information was given me by Mr. Tierney and Mr. Dunne, I was disturbed.

Mr. KENNEDY. Mr. Graeber, just to clear this point up, do you deny that you told the investigators that you had in fact written the book on Mr. Hutcheson? Do you deny that?

Mr. GRAEBER. Yes.

Mr. KENNEDY. You do deny it?

Mr. GRAEBER. Yes.

Mr. KENNEDY. Mr. Chairman, Mr. Dunne wrote a memorandum, not only do we have the testimony of Mr. Dunne and Mr. Tierney, but Mr. Dunne wrote a memorandum immediately after the interview, in which he stated about Mr. Graeber.

The CHAIRMAN. Mr. Dunne, how soon after interrogating Mr. Graeber did you prepare this memorandum?

Mr. DUNNE. The interview took place on December 19. The memo was dated December 20. They are never postdated. I either dictated it on December 19 or December 20. Within a day.

The CHAIRMAN. I will not read all of it. It was written by Mr. Dunne, and it is dated December 20, 1957. I will not read it all, but it states among other things that "he," speaking of you—

is not sure which of the Raddock enterprises employ him as he is paid in cash each Friday. His salary range has been between \$90 and \$110 a week. He was very upset when we told him we knew that he was the ghostwriter for Raddock on the book on Hutcheson, but admitted that he was.

The concluding paragraph states:

Graeber was extremely concerned that if the fact that he ghostwrote the book was made public, he would lose immediately the means of support for his family. He gave us quite a lecture on his views of the current investigation by this committee, most of which was unfavorable to the committee and its counsel.

Mr. KENNEDY. Chief counsel.

That is all.

The CHAIRMAN. Are there any further questions? If not, you may stand aside. The committee—

Mr. GRAEBER. Senator, may I take the liberty of saying a few words?

The CHAIRMAN. That depends on what you are going to say.

Mr. GRAEBER. Well, Senator, I think, with all due regard to the experiences of both Mr. Dunne and Mr. Tierney, I am right now saying to you now and to everyone concerned, that this is a misinterpretation, and this is not a factual reproduction of what I had said, what I had told Mr. Tierney and Mr. Dunne.

I think they are too enthusiastic, in my opinion, they are too lavish in their prose, and they are not at all factual.

The CHAIRMAN. They are not what?



Mr. GRAEBER. They are too lavish in their writing of interpretation of my sociological emotion in this whole thing. The only thing is a description of my concern. This is a psychological matter. But the reproduction of the facts as I have given them is in contradiction, and mine is correct, in toto. As far as my comments about this committee, I did not say that.

The CHAIRMAN. Just a moment. The Chair is trying to extend you every courtesy. I think the Chair has granted you every opportunity. The Chair stated he would let that stand in the record, what you have said. You have a right to feel that your remarks were misinterpreted. You have a right to feel that there was some misunderstanding. But all this talk about the psychological reaction, I don't know what it was at that time.

Mr. GRAEBER. Concern.

The CHAIRMAN. But we have had an opportunity to observe it here today.

Mr. GRAEBER. My comments on the committee were not at all unfavorable. Again, this was an entirely wrong reproduction of the facts.

The CHAIRMAN. You are saying you don't like the committee——

Mr. GRAEBER. Not at all. I approach it very objectively. I have no prejudgments. We are making a survey, as a matter of fact, right now, laying the groundwork.

The CHAIRMAN. Making a survey of the committee?

Mr. GRAEBER. No, evaluating all of the materials, as a matter of fact, of this hearing. I say to you, Senator, there is some good.

The CHAIRMAN. That is a very intriguing job. I hope you pursue it with pleasure.

Mr. GRAEBER. And with objectivity.

The CHAIRMAN. With what?

Mr. GRAEBER. With cold objectivity.

The CHAIRMAN. I don't care whether it is cold or hot.

You will be excused.

The committee will stand in recess until 2 o'clock.

(Whereupon, at 12:15 p. m., the hearing was recessed, to reconvene at 2 p. m. of the same day, with the following members present: Senator McClellan and Church.)

#### AFTERNOON SESSION

The CHAIRMAN. The committee will come to order.

(Members present at the convening of the session were: Senators McClellan and Church.)

The CHAIRMAN. Call the next witness.

Mr. KENNEDY. Mr. Harold R. Danforth.

The CHAIRMAN. Will you be sworn?

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. DANFORTH. I do.

## TESTIMONY OF HAROLD R. DANFORTH

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. DANFORTH. Harold R. Danforth, 110 West 91st Street, and I am a private investigator at 7 East 42d Street, in New York City.

The CHAIRMAN. Do you waive counsel?

Mr. DANFORTH. I do.

The CHAIRMAN. Thank you very much. Mr. Kennedy, you may proceed.

Mr. KENNEDY. How long have you been a private investigator, Mr. Danforth?

Mr. DANFORTH. Since 1955.

Mr. KENNEDY. What did you do prior to that time?

Mr. DANFORTH. I was an investigator in the district attorney's office, of New York County.

Mr. KENNEDY. How long?

Mr. DANFORTH. For 16 years.

Mr. KENNEDY. Now, Mr. Danforth, were you approached in May or June of 1957 by Mr. Max Raddock?

Mr. DANFORTH. Yes; I was.

Mr. KENNEDY. Would you relate to the committee what he wanted you to do at that time?

Mr. DANFORTH. He appeared at my office probably around June 15, I would say, and said that he wanted to hire a private investigator for the purpose of helping him in his, as he explained it, public relations. I would call it a public relations thing, that he intended to build up. He wished to represent various unions and he said that he wanted to have this organization which could service the unions, and then help them in cleaning up, as he put it, their backyard, and he said that they were interested in taking care of all of the corruption that existed in their unions and therefore he felt that an investigator would be of assistance to them.

Mr. KENNEDY. Did he indicate to you at that time what he wanted or who he wanted investigated?

Mr. DANFORTH. Not at that time. I told him that I was not familiar with the labor field, and he suggested that I familiarize myself with various labor leaders such as Walter Reuther, and Dave Dubinsky, and at that particular time those were the only two that I believe he mentioned, but suggested that I go down to the newspaper in the morning and go back over various things that had been written concerning labor leaders and the labor movements over a period of years and to familiarize myself with the labor situation.

Mr. KENNEDY. These were two of the individuals that he was interested in developing the information on at that time?

Mr. DANFORTH. That is right.

Mr. KENNEDY. And did he indicate to you subsequently, at a subsequent meeting that followed shortly afterwards that there was anyone he was interested in?

Mr. DANFORTH. He suddenly became interested in George Meany.

Mr. KENNEDY. How long after your first meeting with him did he become interested in George Meany?

Mr. DANFORTH. Well, I would say probably about a week and a half.

Mr. KENNEDY. What was he interested in as far as George Meany was concerned, and why was he interested in him?

Mr. DANFORTH. Well, it was a little confusing to me at first, because he had indicated that he was interested in the American Federation of Labor, and I had thought he was a friend of George Meany's, but he said that he wanted to see Meany stand up against Walter Reuther, and therefore he wanted me to investigate Meany's background to see if there wasn't something that could be given to his group in the American Federation of Labor that they might use as he put it, to stiffen Meany's backbone.

It was against Walter Reuther whom he claimed intended to take over all of the labor movement.

Mr. KENNEDY. This was a question of getting some derogatory information together on George Meany?

Mr. DANFORTH. Anything that I could get that would go a way back, as far back as I could go. He said he thought there were a lot of things that Meany had done that he would like to know about, and that he would get in touch with these various labor leaders within the American Federation of Labor for the purpose of trying to get Meany to stand up against Reuther. That is the way he put it.

Mr. KENNEDY. It would be a question, as you understood, of developing this derogatory information against George Meany, and then using that information on George Meany and telling him that unless he stood up against these other officials, that he would make this information public.

Mr. DANFORTH. Exactly; yes, sir.

Well, I would like to change that. He didn't say he would make the information public, but he did say that he wanted it for the labor leaders, and that they would then go to George Meany with this information.

Mr. KENNEDY. Did you begin to do some work on that for awhile, anyway? As I understand so we get the record straight right at the beginning, ultimately or subsequently within a relatively short time, you broke with him because of your questions about what he was trying to do; isn't that right?

Mr. DANFORTH. That is right.

Mr. KENNEDY. You refused to continue in what he wanted you to do?

Mr. DANFORTH. That is right.

Mr. KENNEDY. Because you had some questions about what he was trying to do, as to whether he was involved in some sort of blackmail, or anything such as that?

Mr. DANFORTH. I didn't know whom he represented, and I couldn't very well carry on an investigation, an honest investigation, without knowing who he represented and what he wanted to use it for.

Mr. KENNEDY. What did he indicate as to who he represented in this matter? Would you relate that to the committee?

Mr. DANFORTH. He never told me whom he represented other than the fact that it was people or it would be labor leaders in the American Federation of Labor, and he did not give me any names, and said that I would meet them at sometime or another, but at that particular time I was supposed to be gathering information so that I could understand myself just what all of this labor trouble was about.

Mr. KENNEDY. He was representing certain of these labor union officials, and you were to gather this information for him, and then did you understand him to say that he was then going to become the public relations man for these labor union officials?

Mr. DANFORTH. That was my understanding.

Mr. KENNEDY. He would start to work for them on a permanent basis?

Mr. DANFORTH. Yes, and it would be a continuing thing, and as far as the investigations that would be necessary within their own unions, to keep them clean, that that is the work that I would do.

Mr. KENNEDY. Did he indicate during the course of the conversations that you had after that, in June and July, did he indicate to you as to who the good people were in the labor union movement, and who the bad people were?

Mr. DANFORTH. Well, he gave indications as to people that he liked and people that he didn't like.

Mr. KENNEDY. Well, would you tell us a little bit about that?

Mr. DANFORTH. He stated on several occasions that he did not like Beck. I asked him after I had done some little work for him if he knew Hoffa, and he stated that he knew practically everyone in the labor movement because he had been it in for some 29 years as a publisher, and he said that Hoffa was not a friend of his, indicating that he didn't know him that well, but he did say, however, that he considered that Hoffa was the smartest labor leader in the country.

Mr. KENNEDY. And also the best for the labor movement, did he also indicate that to you?

Mr. DANFORTH. Yes, I would say he did.

Mr. KENNEDY. Did he also say that another fine man was Mr. O'Rourke?

Mr. DANFORTH. Yes, sir.

Mr. KENNEDY. He spoke well of John O'Rourke?

Mr. DANFORTH. Yes, he did.

Mr. KENNEDY. But he was critical of Tom Hickey?

Mr. DANFORTH. Yes.

Mr. KENNEDY. As well as Hickey's assistant, John Strong, of the Teamsters?

Mr. DANFORTH. That is correct.

Mr. KENNEDY. He said that they seemed to have some tendencies or Communist tendencies?

Mr. DANFORTH. He indicated that, yes.

Mr. KENNEDY. What about Joe Fay? How did he like Joey Fay?

Mr. DANFORTH. Well, he mentioned Joey Fay quite a number of times, and he said that he liked him very much.

Mr. KENNEDY. So he liked Joe Fay, and Jimmy Hoffa, and John O'Rourke, and didn't like George Meany, Dave Dubinsky, Reuther, Tom Hickey, and John Strong?

Mr. DANFORTH. Well, he didn't like Reuther, and he didn't like Dubinsky or Hickey or Strong. As far as Meany, he brought that out in an entirely different way, of course. That was as I said before, he was trying to stiffen his backbone, so that he would stand up against Reuther.

Mr. KENNEDY. I would think it is an indication someone doesn't like you too well if they send an investigator out to try to dig up informa-

tion on your background. I personally would rather not have friends like that myself.

Mr. DANFORTH. I think that you are right.

Mr. KENNEDY. Did he furnish you himself some of what he felt were derogatory information, for instance on George Meany?

Mr. DANFORTH. Yes, he did.

Mr. KENNEDY. He wrote out memoranda for you himself?

Mr. DANFORTH. That is right.

Mr. KENNEDY. And things that you should look into, and things that you should investigate about Mr. Meany?

Mr. DANFORTH. Yes, he did.

Mr. KENNEDY. Did you have any meetings down here in Washington on that?

Mr. DANFORTH. No, I didn't. He called me from Washington.

Mr. KENNEDY. Where did most of the meetings take place?

Mr. DANFORTH. In New York City.

Mr. KENNEDY. Whereabouts?

Mr. DANFORTH. He come to my office, I think, perhaps twice, and then we had one meeting at the Roosevelt Hotel and the other times they were in the Black Angus Restaurant.

Mr. KENNEDY. That is the restaurant owned by the Blocks; is that correct?

Mr. DANFORTH. That is correct.

Mr. KENNEDY. You met there several times?

Mr. DANFORTH. Yes, sir.

Mr. KENNEDY. Did he tell you at that time that he was also a friend of the Blocks?

Mr. DANFORTH. I don't know that he told me at that particular time, but he has told me that he was very friendly with the Blocks, and that it was a personal thing, and that he had known them for many years.

Mr. KENNEDY. Now, did you develop information of a derogatory nature on people such as Sam Berger of local 102?

Mr. DANFORTH. Yes.

Mr. KENNEDY. And this was a man who was not friendly with Dubinsky, but what was his reaction to that?

Mr. DANFORTH. Well, he said that he had known Sam Berger for many years, and he said he wouldn't want to see anything happen to him, and he was a married man, and that he wouldn't want to see any harm come to him one way or the other.

Mr. KENNEDY. He wasn't interested in that information?

Mr. DANFORTH. No.

Mr. KENNEDY. He wasn't interested in the information on Sam Berger?

Mr. DANFORTH. No, he wasn't.

Mr. KENNEDY. Did you develop any information on any Teamster officials, such as Owen B. Brennan?

Mr. DANFORTH. Yes, sir.

Mr. KENNEDY. What was his reaction when you developed the information on him?

Mr. DANFORTH. Well, I showed him a picture, and I hope I have the right one, a picture taken many years ago, when he and several others had been arrested in Detroit concerning something, some bomb-

ing which had occurred a long time ago, and it was a very old picture. He said he wasn't interested in it one way or another, and he laughed, and he thought it was quite funny.

Mr. KENNEDY. Then it was quite clear as to who he wanted the information on, and who he didn't want information on; is that right?

Mr. DANFORTH. I would say so; yes, sir.

Mr. KENNEDY. Did you have any suspicions or questions then about how he was operating?

Mr. DANFORTH. Well, at that particular time I did, because I couldn't understand why if he disliked Dubinsky and certain information was given him concerning somebody that at one time had been close to Dubinsky, or had been employed by him, that he wouldn't be interested in that also.

Mr. KENNEDY. Could you tell us a little more about what your experiences were on this, and what you finally decided to do?

Mr. DANFORTH. Well, there would be different people that he would bring up. For example, it was difficult for me to understand why he did like Joey Fay and those two in particular. I wondered why it was that he liked him, and apparently wished to protect them.

Mr. KENNEDY. Did you decide then to leave your job or would you explain what led to your breaking off of your relationship with him?

Mr. DANFORTH. Well, it was impossible for me to continue and investigate and not know exactly whom he represented and to obtain evidence on things or on people unless I knew what it was to be used for and for what purpose.

Mr. KENNEDY. Did this also get into Charley Johnson of the Carpenters, or Maurice Hutcheson of the Carpenters?

Mr. DANFORTH. He did mention Hutcheson of the Carpenters on one occasion, and that had something to do with a former Congressman in Indiana. He stated that either the Carpenter's Union had been sued by a man by the name of Jacobs and claimed that Jacobs was dishonest and said he would sometime like to have me go there and make a background investigation on Jacobs.

Mr. KENNEDY. What about Charley Johnson, of the Carpenters?

Mr. DANFORTH. I don't think or I don't recollect that he has ever mentioned Charley Johnson.

Mr. KENNEDY. Well, did you talk to him or develop any information regarding Phil Weiss and Charley Johnson in any financial interests they might have had in common?

Mr. DANFORTH. Yes; I did.

Mr. KENNEDY. Then you did get into Charley Johnson?

Mr. DANFORTH. That is right. I had forgotten that, and I remembered the name of Weiss, and some of the others, but I have forgotten the others.

Mr. KENNEDY. What was his attitude and reaction toward that?

Mr. DANFORTH. He didn't appear particularly interested, and he said it was old stuff and that there was nothing to it, and he wouldn't even bother to show it to whoever it was he was going to show these memos to.

Mr. KENNEDY. This was some information that you developed that Charley Johnson, of the Carpenters, a vice president of the Carpenters, had a financial interest with Phil Weiss?

Mr. DANFORTH. That is right.

Mr. KENNEDY. And he was not interested in that?

Mr. DANFORTH. No.

Mr. KENNEDY. Well, what finally brought about your breaking off of your relationship with Mr. Raddock?

Mr. DANFORTH. Well, Mr. Raddock wanted me to go to Chicago. There was a labor meeting there, and I left him at the airport and decided not to go to Chicago, because by that time I felt that I did not know whom he represented and just what he was up to, and so I declined to go along further with the case.

Mr. KENNEDY. What financial arrangements had you made originally with him?

Mr. DANFORTH. Mr. Raddock had asked me to draw up in memorandum form what I thought this investigation for these various labor leaders who wanted to clean up corruption in their own unions would cost for a period of 6 months.

So, I drew one up. I can't give it to you from memory, and you have it there, but it was to the effect that he should deposit \$2,000, which would be used for expenses, and that a 6-month investigation would cost approximately \$7,500, and, in fact, it wasn't approximate, but that was the amount, \$7,500, and I also made provision for another investigator at \$150 a week and agreed to devote a certain amount of my time, quite a great deal of it, and I don't know whether it was 75 or 80 percent, to this project which at that time I thought might be all right.

(At this point, the following members were present: Senators McClellan and Church.)

Mr. KENNEDY. Did he agree to that?

Mr. DANFORTH. No; he didn't. Well, he read it, and said that it would be acceptable. However, he didn't sign it. I did very little during the next 2 weeks. So, I asked him about it once, and I didn't ask him again because by that time in my own mind I had decided not to go ahead with it, as I couldn't understand just exactly what he was up to and who he was working for.

Mr. KENNEDY. Did he give you any money?

Mr. DANFORTH. Yes; he did.

Mr. KENNEDY. How much did he pay you?

Mr. DANFORTH. I received the amount that I would have received for the expenses. It was \$2,000.

Mr. KENNEDY. How did you receive that? How was that paid to you?

Mr. DANFORTH. I believe in 4 payments of \$500 each.

Mr. KENNEDY. Was that always in cash?

Mr. DANFORTH. That was in cash.

Mr. KENNEDY. I believe it was \$1,000 in cash on or about June 19, 1957, and two \$500 payments.

Mr. DANFORTH. I believe that is the way it was paid; yes.

Mr. KENNEDY. Two \$500 payments about a month later; is that right?

Mr. DANFORTH. That is right.

Mr. KENNEDY. And you discontinued working for him in August of 1957?

Mr. DANFORTH. Yes. He may have made a call later than that, but by that time we had agreed to disagree, and that, as far as I am concerned, was the end of it.

Mr. KENNEDY. It was obvious, after you started working for him, was it not, that he was not working for officials attempting to clean up their own unions, but working to try to develop information on these various officials?

Mr. DANFORTH. I think there is no doubt about that.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. Are there any questions?

Senator CHURCH. No questions, Mr. Chairman.

The CHAIRMAN. How long were you employed by him?

Mr. DANFORTH. From about June 15, probably, until the end of August.

The CHAIRMAN. What year?

Mr. DANFORTH. This last year.

The CHAIRMAN. 1957?

Mr. DANFORTH. That is right.

The CHAIRMAN. You did not volunteer to come here as a witness, but you were subpoenaed?

Mr. DANFORTH. That is correct, sir.

The CHAIRMAN. All right. Thank you very much. Call the next witness.

Mr. KENNEDY. This is a different matter, Mr. Chairman, and I would like to call, as the first witness, Mr. Deibel, to put some records in.

The CHAIRMAN. All right, Mr. Deibel. Come forward.

#### TESTIMONY OF KARL E. DEIBEL—Resumed

The CHAIRMAN. Will counsel make a brief statement of what is this aspect of the hearing?

Mr. KENNEDY. Ordinarily, Mr. Chairman, we would have gone into this next week, but we had two witnesses that were here, and it is a relatively short matter. I thought we could dispose of it today. It is on the question of the misuse of some \$2,000 of union funds. We are going to place the facts that we have into the record at this time.

The CHAIRMAN. What union?

Mr. KENNEDY. The Carpenters, the same union. It is the International Brotherhood of Carpenters.

The CHAIRMAN. All right. This witness has been previously sworn. You may interrogate him.

Mr. KENNEDY. Mr. Deibel, you made an investigation of the records of the International Brotherhood of Carpenters?

Mr. DEIBEL. That is correct, Mr. Kennedy.

Mr. KENNEDY. And there was a \$2,000 item that came to your attention, an appropriation in March 1957 that came to your attention; is that correct?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Would you tell us what you found in the records regarding that \$2,000 expenditure?

Mr. DEIBEL. Yes, sir. During our investigation we noted from the brotherhood's records a \$2,000 appropriation to the East Central Indiana District Council at Columbus, Ind. We obtained the check and the authorization from the brotherhood records and attempted to obtain from those records some accounting for this appropriation.



We were advised by the brotherhood's bookkeeper, Mr. King, that he had contacted, after our original request he had contacted, Mr. Williams, of the East Central Indiana District Council, regarding this appropriation, and had been advised that the funds had been returned to the brotherhood immediately upon their receipt.

They were received by Williams in March of 1957. Mr. King then stated that he had contacted Mr. Chapman, who is the general treasurer of the brotherhood, and Mr. Chapman had related to him that the funds had been returned to Mr. Chapman and placed in a compartment in the safe in the brotherhood's offices, and completely forgotten about. As soon as the error had been brought to Mr. Chapman's attention, he had withdrawn the money from his safe and given it to Mr. King who, in turn, deposited it to the account of the brotherhood.

Mr. KENNEDY. When was the error brought to his attention?

Mr. DEIBEL. The error was brought on or about January 15, 1958.

Mr. KENNEDY. And that was through your investigation?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. The \$2,000 that they claimed had been returned to the International was never recorded in the books of the International?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. And you went to try to find out what had happened to the \$2,000, and the claim was made to you that it had been given to Mr. Chapman and that Mr. Chapman had put it into the safe and forgotten about it?

Mr. DEIBEL. That is right. Mr. King indicated that the money had been returned to Mr. Chapman and Mr. Chapman had put it in the safe and completely forgot about it until Mr. King had made the inquiry.

Mr. KENNEDY. How long had the money remained there?

Mr. DEIBEL. The money had remained there since March 1957, through January 15, 1958.

Mr. KENNEDY. What was the \$2,000 expenditure charged to?

Mr. DEIBEL. The expenditure was charged to organizing expenses. It was shown in the March 1957 Brotherhood Monthly Financial Statement.

Mr. KENNEDY. Did you make an examination of Mr. Chapman's bank account during that period of time?

Mr. DEIBEL. Yes, sir. During the course of our examination, we made a review of Mr. Chapman's personal account at the Indiana National Bank. We noted that just previously to March 15—excuse me, previous to January 15, that on January 13, Mr. Chapman had withdrawn from his account \$350 which was charged to cash. Then we observed that on January 15, Mr. Chapman had drawn a check to the order of cash for \$1,600.

This January 15 date is the same date upon which the funds were returned to the Brotherhood.

The CHAIRMAN. That indicates then that the money that was replaced to the union funds came out of his personal bank account?

Mr. DEIBEL. It certainly leads to that conclusion, Senator.

The CHAIRMAN. Did you interrogate him about the withdrawal of those funds?

Mr. DEIBEL. Mr. Chapman has been unavailable to the committee.

The CHAIRMAN. You have not been able to locate him?

Mr. DEIBEL. At that time he was making business trips and also the counsel for the Brotherhood has indicated that they would prefer to wait until sessions of the committee for the committee staff to interview him. Since that time he has become ill, I believe in Seattle, Wash., and currently is physically unable to appear before the committee.

The CHAIRMAN. So you have not been able to interrogate him regarding these cash withdrawals?

Mr. DEIBEL. That is correct, Mr. Chairman.

Mr. KENNEDY. But we have tried.

Mr. DEIBEL. We have attempted.

The CHAIRMAN. The two checks and one was for how much?

Mr. DEIBEL. One was for \$350.

The CHAIRMAN. On the 13th?

Mr. DEIBEL. Yes. And the second one was for \$1,500 on the 15th, totaling \$1,950.

The CHAIRMAN. Both checks were for cash?

Mr. DEIBEL. That is correct, sir.

Mr. KENNEDY. That is all for now.

The CHAIRMAN. Thank you, sir.

Call the next witness.

Mr. KENNEDY. Mr. Booth and Mr. Williams.

The CHAIRMAN. Be sworn. Do you and each of you solemnly swear the evidence you shall give before this Senate Select Committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BOOTH. I do.

Mr. WILLIAMS. I do.

### TESTIMONY OF H. M. WILLIAMS AND DAVIS BOOTH, ACCOMPANIED BY COUNSEL, HUGH J. McGEE

The CHAIRMAN. The witness on my left, give your name, your address, and your business or occupation.

Mr. WILLIAMS. H. M. Williams, Columbus, Ind., Rural Route 2, business agent, INK District Council of Carpenters.

The CHAIRMAN. I was going to ask you to speak a little louder. I assume the reporter got it, but I didn't understand you.

All right. The gentleman on my right?

Mr. BOOTH. Davis Booth, Route 2, Aurora, Ind., business agent of the INK District of Carpenters.

The CHAIRMAN. Were you a business agent, too?

Mr. WILLIAMS. Yes.

The CHAIRMAN. Mr. Attorney, identify yourself for the record, please.

Mr. McGEE. Hugh J. McGee, of Washington, D. C., 213 C Street, and I represent both of these gentlemen.

The CHAIRMAN. Thank you.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Williams, how long have you been an official of the Carpenters?

Mr. WILLIAMS. As a business agent?

Mr. KENNEDY. Yes.

Mr. WILLIAMS. It will be 7 years on the 1st of July.

Mr. KENNEDY. What about you, Mr. Booth?

Mr. WILLIAMS. Eight years.

Mr. KENNEDY. Did you have certain discussions with Mr. Chapman on or about March 1, 1957, regarding some money, Mr. Williams?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. Would you relate to the committee what occurred?

Mr. WILLIAMS. We asked him for some assistance for publicity.

The CHAIRMAN. You asked him for what?

Mr. WILLIAMS. Assistance, finances, for publicity.

The CHAIRMAN. For assistance for publicity?

Mr. WILLIAMS. Yes.

The CHAIRMAN. Well, explain it.

Mr. WILLIAMS. We asked him for some money for ads in newspapers, radio, and so forth.

The CHAIRMAN. All right. Proceed.

Mr. KENNEDY. You went down to get some assistance from the International Union?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. To put ads in the paper?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. What was that in connection with?

Mr. WILLIAMS. That was in connection with the right-to-work law which was up before the legislative body at that time.

Mr. KENNEDY. And you got \$2,000 in cash for that?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. You were going to put ads in the paper?

Mr. WILLIAMS. Yes, sir.

Mr. KENNEDY. Why didn't you just place some ads in the paper and make arrangements to have them send the bill?

Mr. WILLIAMS. Well, it just wasn't thought of, I reckon.

Mr. KENNEDY. Why did you need cash to do that?

Mr. WILLIAMS. I don't know.

Mr. KENNEDY. Well, the ads or publicity would be a little late at that time, as they were voting on it on March 1.

Mr. WILLIAMS. Well, they had told me that it was an amendment on it and it probably would be 3 or 4 days before it would be back on the floor.

Mr. KENNEDY. It was in fact voted on on March 1, according to the newspaper reports at that time.

Mr. WILLIAMS. That is when we were at the general office.

Mr. KENNEDY. You went down there and got \$2,000 in cash. What did you do with the money?

Mr. WILLIAMS. We took it back after the law passed through the senate and the house.

Mr. KENNEDY. You took the \$2,000 in cash. Where did you take it back?

Mr. WILLIAMS. Back to Frank Chapman's office.

Mr. KENNEDY. You took it out of the office; didn't you?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. Where did you go with it?

Mr. WILLIAMS. We went back over to the statehouse.

Mr. KENNEDY. Did you give any money to anybody at the state-house?

Mr. WILLIAMS. No, sir.

Mr. KENNEDY. When did you return the money?

Mr. WILLIAMS. Within an hour and a half after we got it.

Mr. KENNEDY. You gave it back to Mr. Chapman?

Mr. WILLIAMS. Yes, sir.

Mr. KENNEDY. You found the law had been passed?

Mr. WILLIAMS. Yes.

Mr. KENNEDY. Why didn't you go down to a newspaper and place your ads?

Mr. WILLIAMS. Well, we had to—I imagine there was 25 or 30 of us that discussed the thing, and we were going to get together if we could secure enough funds for the ads and so forth, and at that time we didn't know whether we could get any money or not.

Mr. KENNEDY. Who were some of the other people that you discussed it with?

Mr. WILLIAMS. Offhand I don't remember any of their names. I have seen them at the conventions at different times.

Mr. KENNEDY. You gave the money back to Mr. Chapman on the same day?

Mr. WILLIAMS. Yes, sir.

Mr. KENNEDY. Is that correct, Mr. Booth?

Mr. BOOTH. Yes, sir; that is.

Mr. KENNEDY. The whole \$2,000?

Mr. WILLIAMS. Yes, sir.

Mr. KENNEDY. Do you know why this was charged on the books as an organizational expense?

Mr. WILLIAMS. No, sir.

Mr. KENNEDY. It certainly would have been a legitimate expense if what you state is correct, that you were going to use it for these purposes of placing ads.

Why would it then be charged to organizational expense?

Mr. WILLIAMS. I don't know, sir.

Mr. KENNEDY. Do you understand that, Mr. Booth?

Mr. BOOTH. No, sir; I don't.

Mr. KENNEDY. Do you know why when you brought it back on March 1, it was never entered into the books and records of the international?

Mr. BOOTH. I don't know that.

Mr. KENNEDY. In fact, nobody knew of its existence after that until our investigation began.

Mr. BOOTH. That was our knowledge of it.

The CHAIRMAN. In other words, you thought when you returned the money, or you assumed at least, that it went back into the international treasury?

Mr. BOOTH. I certainly did.

The CHAIRMAN. When did you first learn that it did not?

Mr. BOOTH. About January of 1957, I imagine.

Mr. KENNEDY. 1958?

Mr. BOOTH. That is right, yes, 1958.

The CHAIRMAN. January of this year?

Mr. BOOTH. That is right.

The CHAIRMAN. After the investigators found it missing?

Mr. BOOTH. That is right.

The CHAIRMAN. Did you cooperate with the investigators in giving the information you had about it?

Mr. BOOTH. I certainly did.

The CHAIRMAN. Sometimes I think this committee ought to operate on a commission basis.

Mr. KENNEDY. Mr. Chairman, I might also add that the Brotherhood had a special fund for the purpose of dealing with legislation such as this and to assist candidates, legally assisting candidates, who were against antilabor legislation. It was called the nonpartisan committee fund and educational committee fund. There were two funds. Both of them had money in them at that time, sufficient money for the \$2,000, to pay out the sum of \$2,000.

The CHAIRMAN. All right. Is there anything further?

Senator CHURCH. When you received this \$2,000, you did not know from what account the money had been taken?

Mr. WILLIAMS. No, sir; I did not.

Senator CHURCH. As far as you were concerned, you took \$2,000 for what you regarded as a legitimate union purpose, and, when you found or decided that it ought not to be spent, you returned it?

Mr. WILLIAMS. Yes, sir.

Senator CHURCH. And it was not until the committee investigation came along that you ever discovered that the money was not actually returned to the treasury of the union?

Mr. WILLIAMS. That is right.

Mr. KENNEDY. That is all.

The CHAIRMAN. Thank you very much.

I believe this concludes our testimony for today. The committee will resume hearings next Tuesday, at 10:30 in the morning. In the course of this series of hearings up to now, I think there has been revealed some scandalous conduct on the part of a number of people who were in positions of trust, who had a responsibility, and an obligation and duty, to working people, to union members and to the public.

These hearings have shown without any question of doubt that the trust reposed in these persons has been violated; that the union members' dues money, funds in the treasury of the union, derived from dues and assessments, has been exploited.

I have not prepared a statement to go into the record, but I would make this comment: These hearings have produced some salutary results, I believe. We have learned that Mr. Max Block, president of the Meat Cutters' Local 640 and Local 342, has resigned from his position with those unions; Mr. Louis Block, his brother, who was trustee or manager of the pension and welfare fund, has also resigned his position, and Mr. Casale, secretary-treasurer of one of the locals, and Mr. Lippel, secretary-treasurer of the other, have also resigned.

I am further advised that in appearing before a grand jury, one or more of them declined to cooperate; that they have withheld their testimony.

Obviously these hearings, and the work of this committee, are producing results that inure to the benefit of working people.

This job is not a pleasant task. It is one that is rather exacting upon the membership of the committee. We have all of our other work to do as well as this extraordinary assignment that consumes so much of our time.

With respect to the book transaction and the shakedown—that is what it was—in the solicitation of ads for the Trade Union Courier, there has been disclosed some of the most reprehensible conduct that the committee has exposed.

This book deal was in the nature of a conspiracy to rob the union's treasury. I have no doubt that Mr. Raddock made a considerable profit out of it. I also have a strong suspicion that he didn't get all of the profit in the deal. There must have been a kickback somewhere.

I just do not believe that union officials, intelligent people who occupy such positions, who are capable of being president of a great international union, would be so incompetent that they would commit such irresponsible acts in the handling of moneys with which they are entrusted as has been demonstrated in this case.

I must conclude that there was collusion between Mr. Raddock and some officials of the union to, by this device, enrich themselves at the expense of the working men and women who are members of that union.

I am hopeful that as these things are disclosed, legislation be enacted—and I believe it will be—to deal with these acts of corruption and deal with them effectively. I am also hopeful that these revelations will have a deterrent effect and influence upon others who may now occupy positions of trust and responsibility in the union movement from contemplating and engaging in such practice.

The primary purpose of this committee, of course, is to get information upon which to legislate. But I think a byproduct of its work is that it gives publicity to, and spotlights, practices that honest and decent people do not condone.

Thus, it informs the public, and should alert membership of unions to be diligent in observing the work and the acts of their officials to the end that if they start to engage in such practices they will be discovered and thus prevented from robbing the people whose interest and whose welfare they should safeguard and protect.

Do you have anything to say at this time, Senator Church?

Senator CHURCH. No, Mr. Chairman.

The CHAIRMAN. The committee will stand in recess until 10:30 next Tuesday morning.

(Whereupon, at 2:55 p. m. the hearing was recessed, to reconvene at 10:30 a. m. Tuesday, June 10, 1958, with the following members present: Senators McClellan and Church.)

# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

WEDNESDAY, JUNE 25, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator Sam J. Ervin, Jr., Democrat, North Carolina; Senator Barry Goldwater, Republican, Arizona; Senator Carl Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Jerome S. Adlerman, assistant chief counsel; Paul J. Tierney, assistant counsel; Robert E. Dunne, assistant counsel; John J. McGovern, assistant counsel; Charles E. Wolfe, accountant, GAO; Francis J. Ward, accountant, GAO; Karl Deibel, accountant, GAO; Harold Ranstad, investigator; John Prinos, accountant, GAO; Ruth Young Watt, chief clerk.

(At the convening of the session, the following members were present: Senators McClellan and Goldwater.)

The CHAIRMAN. The committee will come to order.

The Chair will announce that we are this morning resuming hearings in the matter that was under investigation at the time the committee last adjourned on June 6.

We were then in the process of a series of hearings that had begun on June 4, at which time the Chair made an opening statement of the nature and the subject matter that was under inquiry relating to the World Wide Press and the activities of Mr. Maxwell Raddock and others in connection with that publication, and also the Trade Courier Journal, and a book that was published called Portrait of an American Labor Leader: William L. Hutcheson.

The background for the testimony today was laid in that opening statement made on the 4th day of June.

All right, Mr. Counsel, you may call the next witness.

Mr. KENNEDY. Mr. Max Raddock, Mr. Chairman.

Mr. Chairman, prior to the time he testifies, we have here an affidavit from Mr. David Previant, a four-page affidavit that he would like to have placed into the record, if you have no objection.

The CHAIRMAN. Counsel has examined it. Senator Goldwater, do you have objection?

Senator GOLDWATER. No objection.

The CHAIRMAN. This relates, as I understand, to another hearing. It does not pertain to the hearing now being conducted.

This affidavit may be filed and related to the hearing that it refers to. It may be placed in the record in connection with that hearing.

Mr. KENNEDY. We had a statement, Mr. Chairman, in the report, in connection with Mr. Previant's relationship with local 102 of the UAW-A. F. of L., and also the relationship with Mr. Johnnie Dio. This affidavit from Mr. Previant goes to clarify the situation regarding his relationship.

(The affidavit has been made a part of the record in connection with the hearings held by this committee from July 31 through August 23, 1957, and may be found in the files of the select committee.)

The CHAIRMAN. Let it be given a proper number as an exhibit to that record. Please be sworn. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. RADDOCK. I do.

**TESTIMONY OF MAXWELL C. RADDOCK, ACCOMPANIED BY  
SEYMOUR WALDMAN, COUNSEL**

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. RADDOCK. My name is Maxwell C. Raddock. I reside in Mamaroneck, N. Y. I am a newspaperman, editor of the Trade Union Courier, author of a book entitled "Portrait of an American Labor Leader: William L. Hutcheson," subtitled "Saga of the United Brotherhood of Carpenters and Joiners of America, 1881-1954."

The CHAIRMAN. Thank you, sir.

Mr. Raddock, you have counsel. Will counsel identify yourself for the record, please?

Mr. WALDMAN. Waldman & Waldman, of 305 Broadway, New York, N. Y., by Seymour Waldman.

Mr. Chairman, at the outset, may I request that the klieg lights be turned off and that there be no photographing, either newsreel, television, movie or still during Mr. Raddock's testimony?

The CHAIRMAN. Well, we will turn off the lights and television based on the—is that because the witness feels that the lights detract from him?

Mr. WALDMAN. This witness is called to give testimony in a very serious matter and this cannot help but be distracting and harassing in the course of his testimony.

The CHAIRMAN. Do I understand the witness is to cooperate with the committee and give full and proper answers to all questions?

Mr. WALDMAN. I think the chairman knows in the light of the executive sessions that have preceded this hearing, that on virtually every subject matter with one exception the witness has been giving full answers, and I expect, if our assumptions are correct on the course of these hearings, that he will take the same position in this public session.

The CHAIRMAN. I don't recall the particular question in controversy. If witnesses are cooperative and they are sincere, and the committee has heretofore sustained the Chair, in their belief that the



lights or cameras might detract or interfere in any way in their testifying freely, of course, we have the rule that the request will be granted.

Where a witness is coming in for the purpose of reading off a little slip of paper and taking the fifth amendment, I don't see that lights, cameras, or anything else can detract from a witness doing that.

Mr. WALDMAN. Mr. Chairman, I can state that with respect to all the matters covered in your opening statement, and I think they involve four fields of inquiry, it is certainly the witness' present intention to answer fully on all of those items.

The CHAIRMAN. We will proceed without the lights. Whenever the witness fails to cooperate with the committee, the lights will come on.

Mr. WALDMAN. May I also state, Mr. Chairman, that a statement was furnished to the committee at least 2 days ago that we requested that the witness be permitted to read in the light of the several days of derogatory testimony concerning him.

The CHAIRMAN. You have examined the statement, Mr. Counsel?

Mr. KENNEDY. Yes.

The CHAIRMAN. The Chair has made it very clear, when a witness fails to answer questions and cooperate with the committee, then your request will no longer be honored. Did we understand that?

Mr. WALDMAN. May I say, sir, that the Chair had outlined a sphere of inquiry. The items covered in the statement involve all matters covered in the previous public hearings. Certainly the witness intends to answer fully as to all of those items. There was one matter covered in executive session after the previous public hearings. I don't think that slight segment of the picture should alter the witness' right on all the matters covered heretofore in public hearings on which he is prepared to testify fully.

The CHAIRMAN. I don't want to quibble about this thing.

I want to be very fair to the witness, if he is sincere in his request. But neither do I intend to permit this committee to be taken advantage of. I think counsel pretty well understands that.

Mr. WALDMAN. I understand that, sir, but this field does not cover any field of inquiry in which the witness is not prepared to submit fully to questioning and to answering those questions.

The CHAIRMAN. The Chair will make this ruling at the moment: I am not going to silence the silent radio that may be picking up this testimony, nor am I going to stop the pictures, the cameras, from making a film of the proceedings.

I will have the lights turned out if they detract until such time as the witness fails to cooperate with the committee. If the lights bother him, we will leave the lights off for the present.

But I am not going to stop any mediums of communication from covering these hearings. They are public hearings. The press is present. Radio can pick up everything that is said. I am not going to rule that out. I am not going to discriminate against television except there can be, and sometimes there may be, merit in the suggestion that lights will distract the witness from his ability to concentrate.

So the lights will be out for the present.

Mr. WALDMAN. May I say for the record, sir, that the witness objects to any radio or television coverage on the ground that the mere knowledge that this is being done is distractful to the witness and prevents him from concentrating properly on his testimony.

The CHAIRMAN. The Chair overrules your request, subject to the action of the committee. Is there any objection to the Chair's ruling?

Senator GOLDWATER. No objection.

The CHAIRMAN. I am not going to discriminate against other mediums of news and communication. If I was going to do that, then the press would be excluded. I do not intend to do that, so long as the hearings are present. Proceed. You may read your statement.

Mr. RADDOK. Mr. Chairman, at the outset of my testimony today I ask for the opportunity to correct certain false and inaccurate impressions about the companies with which I am associated that have been created through the hearings of this committee.

I feel that a statement of this sort is necessary because of the unfair treatment to which I have been subjected. Contrary to basic American concepts of fair play and justice, serious charges have been made against me in the public hearings of this committee before I have had any opportunity to answer them.

My name and reputation have been attacked with no opportunity for explanation or defense on my part. And notwithstanding the repeated accusations of noncooperation on my part, the simple fact is that I have never been confronted with the evidence against me prior to public hearings and given a chance to present my side.

The CHAIRMAN. You call it charges against you. How would you expect the charges to be made except by sworn testimony? Instead of making the charges without any basis, we have presented the sworn testimony. You have been privileged to hear it and see it, and now you are being given the opportunity to answer it. If we don't have private conversations with you, I don't know what you have in mind.

I think you have been interrogated from time to time and your cooperation sought. But anyway, you may proceed. The record will speak for itself.

Mr. RADDOK. Do you wish me to answer that question, Senator?

The CHAIRMAN. If you want to, briefly.

Mr. RADDOK. With the utmost respect for the distinguished committee and its chief counsel, I would have answered other questions, pointed questions, put to me, if they had been put to me, most forthrightly. Instead, certain questions which later were presumably attested to at the public hearings were not asked of me, and they resulted in public hearings. I feel that had Chief Counsel Kennedy put certain questions to me, perhaps you, Mr. Chairman, would have decided that these questions should not have been aired.

The CHAIRMAN. All right. Proceed. We have a pretty good record here, and if you can refute it, your refutation will be welcome. I certainly do not want to make a record here of perjury and lies. If this record is perjury and lies, you now have the opportunity to refute it.

Proceed.

Mr. RADDOK (reading):

In these circumstances, it is particularly unfair that conclusions adverse to me have already been drawn, even before I have given my testimony.

In this statement I cannot, of course, deal with every item of testimony by every witness, but will only touch on the highlights.

#### I. TRADE UNION COURIER

1. The impression has been created that the Trade Union Courier has a very limited circulation—with bulk distribution only—because the payment for sub-

scriptions is made by some 32 separate labor organizations. The fact is that each issue of the Courier has a basic subscription of over 33,000 persons in the labor movement—including thousands of key local union officials, the makers of policy for unions with hundreds of thousands of members—all of whom receive their copies direct from the Courier. This is in addition to thousands of extra copies printed at the request of unions for special occasions.

The fact that a union subscribes for thousands of its members does not mean that these copies are delivered to the union. Bulk deliveries are rare and form a very minor part of the Courier's regular subscriptions. In the great majority of cases, the union furnishes the list of its members and officers, and copies of the Courier are mailed directly to the individuals.

Nor is the Courier's news coverage limited to those unions which subscribe to it for their members. For over 23 years the Courier has been a prolabor newspaper giving full news coverage of the United States and Canadian labor scene and espousing editorially the traditional policies of the AFL and its constituent unions. We are proud of our longstanding reputation as America's leading independent labor newspaper.

2. The public relations department of the AFL-CIO has submitted to the committee a statement referring to complaints made to the AFL of allegedly improper activities by Trade Union Courier advertising solicitors. It neglects to mention that these complaints came in the main from local union officials who are connected with yearbooks and local labor papers soliciting advertising in competition with the Courier, that those complainants are jealous of the Courier's national standing with the labor movement, and that they seek the destruction of the Courier for competitive, financial purposes.

For example, the campaign against the Courier in Atlanta, Ga., referred to in the AFL-CIO statement, was sparked by a local labor official who was connected with a local yearbook which solicited advertising. The criticism of the Courier by segments within the New York central labor body results from the fact that high officials of that body put out an alleged labor newspaper which also solicits advertising.

A thorough investigation of the business methods of that paper would, I am sure, be far more interesting than any inquiry into the Courier.

(At this point, Senator Curtis entered the hearing room.)

Mr. Raddock (reading):

It comes with ill grace for the AFL to cast stones at the Courier in the light of the yearbook racket recently disclosed, under which employers are mulcted for advertising by publications sponsored by AFL subdivisions. These publications, unlike the Courier, carry no news, have no real circulation, and wield no editorial influence.

In New York, as this committee knows, virtually all proceeds of the State federation of labor yearbook lined the pockets of private promoters. It is noteworthy that George Meany, who attacks the Courier so bravely, was for years the head of the New York State Federation of Labor. I have heard no criticism from him of the yearbook operation as practiced by his friends.

3. There has been no evidence that either I or any other officer of the Courier is responsible for any improper advertising methods which this committee has attributed to one of the more than a dozen solicitors employed by the Courier.

The fact is that we have tried to make sure that only correct statements are made and accurate impressions created. Indeed, prominently printed on the first or second page of every edition of the Courier is a notice labeled "Notice to Advertisers" which includes the following:

"The Trade Union Courier disclaims any affiliation with AFL-CIO headquarters.

\* \* \* \* \*

"All persons are advised that labor publications claiming to represent American Federation of Labor headquarters or exploiting the official A. F. of L. emblem for the purpose of ad solicitations, are doing so without the sanction of national AFL-CIO headquarters, which itself never solicits advertising."

A copy of the Courier containing this notice is sent to all our advertisers.

4. The claim has been made that the Courier solicits ads from antiunion firms. Whoever made this claim is apparently ignorant of the distinction between anti-union and nonunion. There are hundreds of employers who are sympathetic to unionism but whose employees have never been organized or even sought to

be organized by any union. I do not believe there is any evidence before this committee of any solicitation of any firm which was engaged in any kind of labor dispute with any union.

I do not believe there is any evidence before this committee of any solicitation of any firm which was engaged in any kind of labor dispute with any union. It is the policy of the Courier, and all solicitors are so instructed, never to accept an ad from any employer who is antiunion or involved in a labor dispute.

## II. WORLD WIDE PRESS

5. In connection with the bond issue of World Wide Press, the inference was raised that bonds were given to union officials and their families. This I deny unequivocally. Evidence was presented that in 2 or 3 instances, checks from the bank accounts of the Trade Union Courier and related firms were deposited in the World Wide Press bond account. As far as I have been able to determine, all that this means is that on those 2 or 3 occasions, when the bond purchase money was received there were urgent payroll, petty cash and similar needs for the operation of the Courier. The money received was therefore immediately loaned to and disbursed by the Trade Union Courier Publishing Corp. or a related firm. When money was again available, the loan was repaid by corporate check which was deposited in the World Wide Press bond account.

Testimony was also offered that in the case of two individuals, there is no record of payment for the bonds issued. I am informed that the books and records in the committee's possession reveal that this claim of no payment can be made only if it is also assumed that some unions or union officials paid twice for their bonds, an equally absurd claim.

The fact is that the records show that there were \$213,000 worth of bonds sold, and \$212,000 was deposited directly in the World Wide Press bond account. At most, this would appear to show that \$1,000 loaned to one of the other related firms has not yet been repaid to World Wide Press.

Nothing has been shown of any wrongdoing in these bond sales or of any gift of a bond to anyone. There was none.

## III. THE BOOK, PORTRAIT OF AN AMERICAN LABOR LEADER—WILLIAM LEVI HUTCHESON

6. It is apparently the view of some members of this committee's staff that the research, writing and revision, printing and publication, compilation of lists of distributees, and packing, mailing and distribution of over 80,000 copies of a book of over 480 pages, all can be accomplished virtually overnight. Actually the time that elapsed between the initial conception of this book and the distribution thus far is by no means unreasonable, particularly when it is borne in mind that during most of 1956 I was busy on other essential work for the Carpenters Union and was unable to put in the time required to compile the lists of tens of thousands of recipients in such a way as to do the most good.

7. The committee staff has made elaborate charts based on the original arrangements for the book and purporting to show substantial "defaults" on my part. Has no one on the staff ever heard of business arrangements between parties being changed in the course of time? The original plan for a few thousand copies of a biography of the late Mr. Hutcheson contemplated a far more modest enterprise than finally emerged, not only in terms of number of copies, but also in terms of the scope of the book. After work on the book had started, both we and the Carpenters Union agreed on an expanded full scale history of the union instead of a relatively brief biography of its printing and distribution of the full number of books ordered by the Brotherhood of Carpenters, and more, has been completed only because of this committee's investigation. That is not so. Counsel's theory overlooks the following facts:

(a) In April or May 1957, several months before the start of this committee's investigation of the Carpenters, I hired a new plant manager to reorganize World Wide Press so that, among other things, we would be prepared to print this book. That was shortly after I was finally released from the time-devouring commitments related to the 75th anniversary year celebrations and educational conferences of the Carpenters Union.

(b) Even before the plant was reorganized, 10,000 copies of the book were ordered from and printed by an outside firm in the spring of 1957. Thousands more would have been printed at that time but we had not yet completed our lists of recipients and to have tens of thousands of undistributed books on hand would have created too great a storage problem.

This printing in May and June of 1957 has been completely slurred over in the presentation thus far. It completely destroys the claim that our printing of the book stemmed only from this investigation.

(c) In the early fall of 1957, well before the start of this investigation, we laid plans for a substantial printing at our plant, because the lists were then well along toward completion. Although the records apparently show that actual printing did not commence until the paper was delivered a few days after the investigation began, anyone familiar with publication of a book of this size knows that the planning of production, the solicitation of bids for paper, and the ordering and the delivery of paper takes far more time than the few days interval between the start of the investigation and the actual delivery of the paper. In short our preparations for a run of over 16,000 books—in addition to the more than 18,000 already printed—definitely antedated this committee's investigation.

9. An attempt has been made to imply that I, or the firms with which I am associated, have made exorbitant profits from the publication of this book at the expense of the Carpenters Union. It is interesting that this insinuation has been made through Mr. Stanley Thompson's estimate as to what he thinks a book might cost. But there has been not a word of testimony from the committee's accountants and investigators who have had all our corporate books and records for months as to the profits, if any, which either the companies or I actually made from the Hatcheson book, as distinct from what we might have made on someone's fanciful estimates. Thompson could have had no idea of what it means to write a history of a major labor union, knowing that every word was subject to challenge and attack by those hostile to that union. Into that book I poured the experience and specialized knowledge of a lifetime as well as intensive research by myself and an experienced staff.

Nor was this a case, as Thompson apparently assumed, where all the material was turned over to us. Voluminous records in various parts of the country had to be unearthed and examined; numerous persons had to be interviewed.

Even on a question of printing costs, Thompson's testimony leaves out several key facts. Counsel for the committee emphasized certain estimates by Thompson of less than \$1 a copy for printing alone. Thompson neglected to say that he also told us that he could not get the paper for such a large bulk order, so that his estimate at that time meant very little.

Moreover, I would not give him a large order until I had seen a sample of his work on this particular book. Shortly after receiving the shipment which I did order from him, I was informed that, notwithstanding his assurances, the composing room of the printer he selected was nonunion. Accordingly, I demanded the return of the type and plates and did no further business with him. The records show that Thompson actually billed us for the two orders he printed at a rate of more than \$1 per copy. This does not include the making of the plates, which we supplied, the engraving, the jackets, or any phase of the distribution.

10. The evidence thus far has glossed over completely the intricate, time-consuming and costly process of distributing this book. Initially the preparation of various lists of recipients with the aim of educating the community to the maximum extent possible in the history, traditions, and contributions of the Brotherhood of Carpenters took months of effort. It was important not only to include the right groups but to refrain from distribution which would merely arouse hostility toward the union. Work on this compilation involved research and secretarial, typing, and clerical work.

Our organization also paid for the printing of thousands of acknowledgment forms, in varying types, which were hand inserted in each copy. We imprinted and typed all labels, paid all postage expense, supplied containers, wrappers, and carton material, and paid union mailers' labor costs.

I inserted the word "union," but that was left out. We paid postal costs for "return" books, for reshipping and for thousands of acknowledgments mailed in self-addressed return envelopes which we had printed. We also paid haulage charges for hundreds of truck deliveries.

The word "hundreds" has been left out.

As a result of these efforts, the book has been distributed to the following groups, in most cases to all persons or institutions in the group and in the others to a cross section or to those whose names and addresses could be obtained:

- (a) Public libraries throughout the United States and Canada.
- (b) University libraries in the United States and Canada.

- (c) Seminaries in the United States and Canada.
- (d) Senior high schools and junior colleges.
- (e) Vocational and trade schools.
- (f) Law libraries.
- (g) Private law libraries of major industry law firms.
- (h) Army, Navy, Marine, and Air Force base libraries.
- (i) Veterans hospitals and public hospitals with patients' libraries.
- (j) United States and Canadian Trade and Industry Association.
- (k) Chambers of commerce and boards of trade.
- (l) Religious organizations and institutions, chaplains and clergymen.
- (m) Members of the United States Senate and House of Representatives.
- (n) Legislators in every Canadian Province.
- (o) Fraternal, service, and welfare organizations and agencies.
- (p) Governors of every State.
- (q) Mayors and city managers.
- (r) Public officials such as judges, attorneys general, etc.
- (s) Better business bureaus.
- (t) Foundations and research organizations.
- (u) Private, personnel, and inplant libraries of key industrial and business concerns.
- (v) Major university and public libraries throughout the world.
- (w) International Labor Organization representatives of the World Confederation of Trade Unions.
- (x) State industrial commissioners and State libraries.
- (y) Historical societies.
- (z) Newspapers, periodicals, college and trade publications.
- (aa) Trade unions and their officers throughout the world.
- (bb) Farmer organizations and co-ops.

11. Mr. Thompson testified that I suggested that the book be printed in a nonunion plant. This, I unequivocally deny. I never suggested any printing by any firm which I knew, suspected, or was informed to be nonunion. Our own plant at World Wide Press, which supplied the type for the book, is 100 percent union.

12. An attempt has been made to have it appear that we made double charges for the sample books, once to the Carpenters and once to some other union or institution. This attempt illustrates a fundamental misconception of the relationship between the Carpenters union and the publisher.

This book is and always was the property of the firms with which I am associated. It was never owned by the Carpenters. The union merely purchased a substantial number of copies at a rate below that which the book is listed. But it was no part of my agreement that I would not sell the book to others. On the contrary, I informed this committee's investigators months ago that I have every intention of promoting as extensive a public sale as possible.

The book has been reviewed widely and favorably by newspapers and periodicals.

I also informed the committee's staff that I originally proposed that the Carpenters distribute the book to over 250,000 institutions and individuals.

When the brotherhood decided on a figure well below 100,000, I sought to persuade other unions to finance additional distribution to groups not covered by the Carpenters.

This was in no sense double payment. The Carpenters were entitled to the distribution of the copies they paid for, and more than that has already been accomplished. I had every right to distribute additional copies financed by other organizations.

If there was any duplication in the lists of the Carpenters and some other union, that is regrettable but understandable.

In the nature of the case, some overlapping and double shipment to the same party will occur. For example, there may be one list for high schools, another for parochial schools, and a third for prep schools. Since these terms, as commonly understood, are not always mutually exclusive, the same school may appear on more than one list.

#### IV. THE TESTIMONY OF HAROLD DANFORTH

13. A private investigator named Harold Danforth testified that I hired him to do some work. That is correct.

As Danforth said, I asked him to check on the background of Walter Reuther, because I believe that Reuther is seeking to gain control of the American labor

movement and that, in the light of Reuther's political ambitions, this is unhealthy for labor, generally, for the AFL craft unions, in particular, and for the Nation.

I think his policies are even unhealthy from the point of view of his own Auto Workers. Since the time that I expressed those views to Danforth, more than one member of this Senate committee has publicly expressed similar fears.

I also asked Danforth to investigate the truth or falsity of certain rumors concerning George Meany, in the hope that more widespread knowledge of the complete picture might cause him to "stiffen his back" in dealing with Reuther.

It has always seemed incomprehensible to me that Mr. Meany, with his background, would be consistently surrendering to Reuther's group, as I believe he is, unless there is something in the picture known to Reuther and his allies but not known to the AFL craft unions, whose cause the Trade Union Courier has traditionally espoused.

I hoped that, with more complete information, these unions might better be able to cope with the situation. In this, I was acting not as their agent but on my own as a newspaperman, a labor editor, and a friend of these AFL unions.

The realities of labor politics are no different from the realities of politics generally. It is always well to be armed with full information. For example, very recently a distinguished member of this committee, Senator Ives, has made a charge of improper conduct against the Governor of New York based on an alleged incident in the Governor's past.

The information on which this charge was based is similar to the type of information which I sought to have established or refuted, only in Senator Ives' case it was supplied not by a private investigator but by a reporter whose principal assignment of late has been covering the hearings of this committee.

In being attacked for what I did, it seems to me that here, as in so many other instances, I am simply being made the victim of a double standard.

This is merely one of the many instances in which a one-sided presentation of testimony was used against me before any opportunity was given me, in public or private, to explain my side of the picture.

Thank you.

The CHAIRMAN. Mr. Raddock, I have just one question at the moment. On page 13, I believe it is, at the bottom, you say:

I also informed the committee staff that I originally proposed that the Carpenters distribute the book to over 250,000 institutions and individuals; when the brotherhood decided on a figure well below 100,000, I sought to persuade other unions to finance additional distribution to groups not covered by the Carpenters.

Another point you say, and I could not reconcile the statement, this: On page 10, you say:

It was important not only to include the right groups—that is, groups it would be distributed to—

but to refrain from distribution which would merely arouse hostility toward the union.

If you were going to distribute 250,000 books, publish that many, or even 100,000 or less, how could you have possibly conceived that the book might not fall into the hands of someone who is antiunion? I just do not understand it.

You are trying to keep it away, you say, from people where it might merely arouse hostility toward the union, yet you are sending it to all of these groups and putting it on sale. I just wondered how you reconciled those two statements.

Mr. RADDOCK. Senator McClellan, your interpretation of the bottom of page 13 and the bottom of page 10, the construction you placed on it was that I was evidently interesting in keeping the book out of the hands of antiunion people. I have no bigotry in my system. I don't feel that people generally fall into such category as antiunion. I don't feel that the history of the Carpenters' Union is the kind of a book that would engender hostility. The reference there only im-

plies the following: That a distribution of such a large number of books has to be handled carefully, scientifically, and selectively only for the following psychological reasons: Should a publisher send out a book about a labor union, and glut a city's educational institutions, it would engender some sort of temporary ill feeling on the part of some persons.

I found in my experience, for instance, that in some instances a superintendent of a school system in a city resented the fact that schools received a book free of charge, and suggested that it should be handled solely through a book wholesaler. I therefore take the position that the distribution of any book, and particularly a book on a trade union subject in the current national climate must be carefully, intelligently distributed.

The CHAIRMAN. I can understand that. You would like to get distribution where there would be the most reading, possibly, the most widespread dissemination of the information in the book. But what I could not reconcile is where you say it was important not only to include the right groups but to refrain from distribution which would merely arouse hostility toward the union.

Then you state, "Work on this compilation involved research and secretarial, typing and clerical work."

Mr. RADDOK. That refers to quantity, Senator McClellan. In different words, not glutting all of the institutions in any given city, because our distribution was probably the most unprecedented in the history of this country insofar as a labor organization, in my opinion, exercising a salutary influence on the American free-enterprise system and on the American scene.

The CHAIRMAN. If you were just trying to give it to a select group and making efforts to keep it away from others, I cannot understand the philosophy of wanting to have 250,000, and then I can't conceive of such a broad distribution not having the book fall into the hands of some folks who might raise a little hostility.

Mr. RADDOK. May I say this: I, myself, am part of the plain folks. I have no hostility toward anyone, including the people——

The CHAIRMAN. You say you want to keep it out of the people who might have hostility.

Mr. RADDOK. No, but, Senator McClellan, you, as an enlightened legislator, who knows the American scene definitely, if we sent it out to every trade organization, every chamber of commerce, every better business bureau and to a cross-section of all the large employer groups of the United States and Canada, we certainly didn't take the position that we are afraid of shedding a little light on a labor subject about a free labor movement in America to employer groups or industrialists who might have a contrary view only because they don't possess the knowledge.

The CHAIRMAN. I can appreciate a book of this kind, but you would primarily send it, I would think, to those who might be friendly toward the labor movement or those who were neutral that you might want to impress with the labor movement, and so forth.

I could not understand why you thought it was so important to try to keep it away from groups or interests where it might arouse hostility. I don't think a book, a publication, of this kind could hardly be published without some of those groups at least having access to it or



maybe buying a volume of it. In other words, I didn't think it could be a secret publication.

Mr. RADDOCK. Senator McClellan, I assure you once again it is my earnest feeling and fervent hope that trade unionists in this country ultimately will buy the book in abundance. It was our intent in the Brotherhood of Carpenters and on behalf of the Brotherhood of Carpenters, and not only them but labor generally, because we do have an interest in exercising a stabilizing influence on the American industrial scene, that this book should go, rather, into wide circulation among people who are outside the union fold, and who don't hold union cards, and also to lawmakers and to industrialists and others who have to daily consider the union side of the picture.

We felt that we could help them consider it in a less biased light. I have, again, an—an industrialist, in my opinion, if he is nonunion, I don't consider him antiunion, and I don't consider an antiunionist can have his opinions altered through publication.

The CHAIRMAN. I think your statement would have been better had you left that phrase out of it.

It is calculated to create some abuse and misunderstanding. I was just trying to get some clarification.

Mr. RADDOCK. With the utmost deference to you, Senator, if it is your feeling that that is poorly phrased, I accept your criticism with good grace.

The CHAIRMAN. I don't say it is poorly phrased, if you meant what it said. All right, Mr. Kennedy.

Mr. KENNEDY. I take it from reading over this statement that there haven't been any misstatements of fact concerning you in the previous hearings, Mr. Raddock, but that you just have an explanation for all of them?

Mr. RADDOCK. Misstatements of fact, Mr. Chief Counsel Kennedy? I don't recall every line of the transcript. There have been some mistaken impressions created by testimony which I did read out of the transcripts. Generally—I mean, it would be hard for me to just say there were no misstatements.

Mr. KENNEDY. I have been reading over your statements, and I am sure that prior to making this statement you studied the record. You don't point out in anywhere in the statement that there were any misstatements of fact concerning you in the hearings so far. Is that correct?

Mr. RADDOCK. I think that almost every subject was covered because Mr. Waldman told me not to make the statement too lengthy.

Mr. KENNEDY. You talked in here about these bonds. Let me get a little background. What are your businesses, Mr. Raddock?

Is it World Wide Press?

Mr. RADDOCK. My business, all my life, is the printed word.

Mr. KENNEDY. Let's go back.

Mr. RADDOCK. And the kind of production—

Mr. KENNEDY. Where did you go to school?

Mr. RADDOCK. I went to the Orthodox Rabbinical Seminary of New Haven, Conn.

Mr. KENNEDY. You graduated from there?

Mr. RADDOCK. Yes. I was almost ordained a rabbi. I was short 1½ years. I was a Hebrew teacher during that time and I wrote for the Jewish Daily Forward thereafter.

Mr. KENNEDY. What year did you get out of there?

Mr. RADDOCK. I believe I was about 17, 17½.

Mr. KENNEDY. And then what did you do?

Mr. RADDOCK. I worked in the advertising field as a publicity writer for the Yiddish Press. Thereafter, into the Jewish Daily Forward. Following that, in 1936, when the CIO was born, I edited this newspaper, and pursued——

Mr. KENNEDY. What newspaper was that?

Mr. RADDOCK. The Trade Union Courier—and followed, adhered to, an A. F. of L. policy.

Mr. KENNEDY. Did you form that paper yourself at that time?

Mr. RADDOCK. Yes; with the aid of other unionists. My experience in the Jewish Daily Forward was rather broad, but in part it also included reporting of the labor scene.

I probably was the first cub reporter who covered anything but the garment or the needle trades unions which were predominantly Jewish at the time, and developed a lot of friendships with a good many organizations outside of the needle trades, which had their own house organs.

Mr. KENNEDY. Were you ever a trade union official yourself?

Mr. RADDOCK. First in an honorary capacity at the request of Joseph Belsky of the Amalgamated Meat Cutters and Butcher Workmen of North America, and I believe that was in my Jewish Daily Forward days. He asked me to aid in an honorary capacity some local unions just affiliated. One of them was the Butcher Workmen's Local 640, where I later served, I think for a brief time, I wouldn't recall how long, maybe a half year or a year, in a paid capacity. I believe it was \$50 or something like that a week.

Mr. KENNEDY. When was that?

Mr. RADDOCK. That would have been, perhaps in 1936-38. I think it was around that time. My recollection would not serve me too well.

Mr. KENNEDY. How long did you serve in that capacity?

Mr. RADDOCK. A brief time. I don't recall exactly.

Mr. KENNEDY. A year, 2 years, 3 years?

Mr. RADDOCK. Maybe less than a year. I am not certain.

Mr. KENNEDY. That is the only time you were ever a trade union official?

Mr. RADDOCK. A few years later I was asked to be a general organizer for the Clerks International.

Mr. KENNEDY. By whom?

Mr. RADDOCK. By Mr. Nathan Wertheim, who is now deceased, and by C. C. Coulter, the international secretary, out of Lafayette, Ind. In both of these union posts, they were not my total jobs. I was interested chiefly in the newspaper, but since the newspaper actually participated actively in the organizing activities and loaned aid to the organizers, I was, therefore, asked to take a part and to accept some compensation.

Mr. KENNEDY. Was there any other union other than the Butchers and the Clerks?

Mr. RADDOCK. No; none to my recollection.

Oh, yes, later the jewelry workers union. This was for also a period of about three-quarters of a year or a half year or a year. I served as more or less of a trouble shooter for about 1 year's time, helping to root out certain conditions that the international officialdom——

Mr. KENNEDY. When was that?

Mr. RADDOCK. I don't remember the year.

Mr. KENNEDY. Approximately when was it?

Mr. RADDOCK. Maybe 10 years ago.

Mr. KENNEDY. Who asked you to come into the jewelry workers?

Mr. RADDOCK. Well, our paper was the official organ of the International Jewelry Workers Union for about, I think, 15 years. Leon Williams and Samuel Beardsley were the officers. I always worked with them conscientiously, and upon Williams passing—first Beardsley passed away and then Williams did—and some new people without a broad background in the activities of the union emerged in the leadership and they asked me to lend a participating hand.

Mr. KENNEDY. Anything else?

Jewelry workers, clerks, butchers?

Mr. RADDOCK. I don't recall any others, although I have worked alongside union officials at least 23 years of my life.

Mr. KENNEDY. Are you a member of any union now?

Mr. RADDOCK. I was originally a member of the Newspaper Guild. I think I am about the 80th or so founding member, when I was with the Jewish Daily Forward. I don't believe that I hold anything but perhaps some honorary memberships that I wouldn't even be able to recall.

Mr. KENNEDY. You don't pay any dues now?

Mr. RADDOCK. No; I am not a dues payer.

Mr. KENNEDY. Your present position is you have a position with the World Wide Press?

Mr. RADDOCK. I am president of World Wide Press Syndicate, Inc.

Mr. KENNEDY. And do you own all the stock in World Wide Press?

Mr. RADDOCK. I own two-thirds of the stock. The balance is in the treasury.

Mr. KENNEDY. And the Trade Union Courier?

Mr. RADDOCK. I own all the stock of the Trade Union Courier, the publishing corporation, or, I think, there are 20 shares in all issued and the balance, unless the books would show that only 20 shares were issued, the rest would be in the treasury.

Mr. KENNEDY. Do you have any other companies or organizations that you have an interest in?

Mr. RADDOCK. The American Institute of Social Science. That is about all.

Mr. KENNEDY. Is that incorporated?

Mr. RADDOCK. Yes.

Mr. KENNEDY. And do you own the stock in that, all of it?

Mr. RADDOCK. I don't believe it has been distributed. It is either in the treasury or I own it. I don't think I have taken the paper, the certificate.

Mr. KENNEDY. The American Institute of Social Science, you are president of that?

Mr. RADDOCK. Yes.

Mr. KENNEDY. How long has that been in existence?

Mr. RADDOCK. I believe since about 1955, the middle of 1955, if I am not mistaken.

Mr. KENNEDY. What does that organization do, briefly?

Mr. RADDOCK. Briefly? Briefly, it is interested in economics and

the social sciences, and is presently working on several subjects in the field of economics, several labor biographies, one of Samuel Gompers, by a Dr. Bernard Mandel, another one by Hilton Hannah and Joseph Belsky of Patrick E. Gorman, the secretary-treasurer of the Amalgamated Meat Cutters; and another one on labor health in the United States; and 3 other works that are currently in the research state, in the mass communications field, of which radio and television is a big part, as Senator McClellan pointed out, and sundry other media.

Mr. KENNEDY. According to your statement, some bonds were sold on World Wide Press; is that right?

Mr. RADDOCK. Yes, sir.

Mr. KENNEDY. In the case of Morris Horn, who runs local 627 of the Meat Cutters, a review of the records of the World Wide Press, and I see you made reference to it, reflects, for instance, that there was no receipt of any money from Morris Horn for the \$2,000 worth of bonds that he received in September of 1952. Do you have any explanation for that?

Mr. RADDOCK. First, my statement covers the overall total financial subject. On the specific question, as I told the investigators of this committee, Mr. Dunne and Mr. Tierney, my recollection regarding Mr. Horn's purchase of bonds resulted from a sale made sometime prior which was not consummated to William A. Roth, of the Wine Liquor Distillery Workers Union, Local 1, who agreed to purchase \$6,000 worth of bonds, and Mr. Roth—I remember it was around election time when I met him. He had told me to come up to see him at about 1 or 2 o'clock to pick up the money, and he told me then it was the last day—

Mr. KENNEDY. We are including that. We are giving you credit for that. He got \$3,000 worth of bonds altogether. One thousand dollars came from William A. Roth. The record shows you received no money from him for \$2,000 worth of bonds, which was an original issue.

Do you have any explanation for it? Then we will move on.

Mr. RADDOCK. I will give you my word that Mr. Horn or any other union official who purchased bonds, I declare this under oath, unequivocally, everyone who purchased bonds, businessman, union official, or union paid for the bonds. I can give you no other explanation except that which I have given you in this statement, which is the total truth.

Mr. KENNEDY. The problem is that your books and records indicate that he did not. When he was asked before the committee about it, he refused to answer any questions about it. You also had a questionable transaction with Mr. John O'Rourke for some five—

Mr. RADDOCK. Is that a statement or a question, Mr. Kennedy?

Mr. KENNEDY. I am going to give you another question.

The records show that \$5,000 was paid out of payroll checks, \$5.97 in cash and 18 payroll checks of other of your enterprises, for the bonds of John J. O'Rourke.

Can you explain that to the committee?

Mr. RADDOCK. Yes, sir. The general explanation is covered in my statement. The specific recollection I have regarding the O'Rourke purchase. I personally sold Mr. O'Rourke the bonds. Mr. O'Rourke

was laid up with a heart attack for 6 months. Some friends told me that he would like visitors. I was under the impression that he could not have visitors.

Mr. KENNEDY. Mr. Raddock, let's get it straight. Just answer the question.

Mr. RADDOCK. Your question was that there was a suspicious incident. I would like to say that Mr. O'Rourke unequivocally paid for every single penny of those bonds, didn't get a cut rate nor any privileged arrangement.

Mr. KENNEDY. Now, Mr. Chairman, we subpoenaed Mr. O'Rourke before the committee. He had a doctor's certificate. He has been ill again, and he furnished an affidavit in connection with the purchase of those bonds.

The CHAIRMAN. The affidavit may be printed in the transcript at this point in the record.

I will read the pertinent part.

I understand that my appearance before the committee would have been concerned with my relationship with Maxwell C. Raddock, the Trade Union Courier, and with the purchase, transfer, sale, or redemption of World Wide Press Syndicate, Inc., debenture bonds. To all of the above questions I would before the committee, claim my privilege under the fifth amendment to the Constitution of the United States and refuse to answer on the grounds that those answers might tend to incriminate me.

(The document referred to follows:)

STATE OF NEW YORK,  
*County of New York, ss:*

John J. O'Rourke, having first been duly sworn, deposes and says:

First. I am president of Joint Council No. 16 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America, and maintain my principal offices at 265 West 14th Street, New York, N. Y.

Second. I give this affidavit to representatives of the United States Senate Select Committee on Improper Activities in the Labor or Management Field, in hopes that it will dispense with my personal appearance before that committee in Washington, D. C., for reasons of my bad health.

Third. I understand that my appearance before the committee would have been concerned with my relationship with Maxwell C. Raddock, the Trade Union Courier, and with the purchase, transfer, sale, or redemption of World Wide Press Syndicate, Inc., debenture bonds.

Fourth. To all of the above questions I would, before the committee, claim my privilege under the fifth amendment to the Constitution of the United States and refuse to answer on the ground that those answers might tend to incriminate me.

JOHN J. O'ROURKE.

Sworn to before me this 20th day of May 1958.

[SEAL]

JOHN T. NORTON,  
*Notary Public, State of New York.*

Qualified in Queens County. Certificate filed in New York County. Term expires March 30, 1959.

The CHAIRMAN. Mr. O'Rourke is still unable to attend, I assume, and states that he would refuse to answer the question.

Mr. WALDMAN. May the record show at this point that Mr. O'Rourke has been before the committee in other connections and has uniformly pleaded the fifth amendment as to all questions asked of him.

This is not just an isolated incident.

The CHAIRMAN. I think you are correct about that, but the record reflects that.

Mr. KENNEDY. According to your own records, the \$5,000 worth of bonds that went to John O'Rourke were paid for the most part out of payroll checks of your various enterprises.

The CHAIRMAN. Let us ask the witness this question: Do you deny that they were paid for by these checks as the record shows?

Mr. RADDOCK. If the inference, Senator McClellan—

The CHAIRMAN. There is no inference. The bonds were actually paid for by these checks, insofar as going into the bond fund. What is the name of it? The World Wide Press.

So far as the World Wide Press, it received its payments from these checks, the record reflection.

Mr. RADDOCK. May I just add—

The CHAIRMAN. That is true so far as World Wide Press is concerned; is it?

Mr. RADDOCK. Apparently, according to Mr. Kennedy, or the testimony that I read in the transcript, that is a fact. As I read it.

The CHAIRMAN. Now, however, you claim that Mr. O'Rourke paid you for the bonds?

Mr. RADDOCK. Definitely.

The CHAIRMAN. Where did you enter that payment?

Mr. RADDOCK. Insofar—

The CHAIRMAN. What did you do with it?

Mr. RADDOCK. Insofar, Senator McClellan, as I told the investigators, or I believe I testified at the executive session, when I personally received money from any bond purchaser, I delivered that money to the secretary of the corporation, who in turn had to notify the American Registrar & Transfer Corp. that such money was deposited in the bank, and only then were bonds issued.

The CHAIRMAN. You also were paying for the bonds of the World Wide Press, you were paying for those bonds, the record so shows, with payroll checks from your other companies; is that correct?

Mr. RADDOCK. Apparently, according to what I read. My recollection would not serve me. But, Senator McClellan, in order that no false impression be—

The CHAIRMAN. I am trying to eliminate one, if there is, and give you the opportunity of explaining it.

So far as the records of the World Wide Press are concerned, they show that the payment for these bonds was received in payroll checks and so forth from your other company.

Mr. RADDOCK. That statement I will accept as correct.

The CHAIRMAN. How was your other company reimbursed and was any record made of the reimbursement by any money you received, if you received any, from Mr. O'Rourke?

Mr. RADDOCK. Undoubtedly in that the payroll checks of those employees were cashed and the checks deposited in the World Wide Press account.

The CHAIRMAN. Well, there would be a record of where the money came from; there should be.

Mr. RADDOCK. Well, apparently those 18 payroll checks should be the record since no duplication of those 18 payroll checks was contained in our records.

The CHAIRMAN. The records, as I understand them, show that the money went out of the Trade Union Courier into the World Wide

Press. But the records do not show that a corresponding amount of money came into the Trade Union Courier.

Mr. RADDOCK. It does show that, Senator McClellan, by the committee's own testimony, that the 18 payroll checks were cashed and deposited in the World Wide Press accounts. Again I repeat that no duplicate payroll check was issued that week to the same employee. All we did was cash the employee's check, nothing else but.

The CHAIRMAN. Your record does not show where the cash came from.

Mr. RADDOCK. Obviously it must have come from the World Wide Press account.

The CHAIRMAN. Then your books are not accurate, because it does not show the income. The books do not show the receipt of the money.

Mr. RADDOCK. It does show it, Senator McClellan, by the committee's own testimony.

The CHAIRMAN. Do you have any record where John O'Rourke's name appears in there, where the World Wide Courier received that money?

Mr. RADDOCK. I am sure of that. I am sure that the World Wide Press records will show that John O'Rourke paid \$5,000 for his bonds. I repeat again, Mr. Chairman, whether Mr. O'Rourke feels inclined to take the fifth amendment for his own interest, I, under oath, declare that Mr. O'Rourke paid the full \$5,000 for his bonds, and I had no shady transaction ever with Mr. O'Rourke and personally have a great deal of liking for the man and consider him an honorable man.

Mr. KENNEDY. There is nothing, Mr. Chairman—and I believe you will support this—that shows that he received \$5,000 in cash from John O'Rourke.

Mr. RADDOCK. Mr. Kennedy, I am not an authority on books, but I can only point it out in my way. For instance, if it were Friday at 3 o'clock, and the employees needed their pay cashed, the bank was closed, and if we had cash in World Wide Press, the secretary would cash the check for those people. Now, in this instance, 18 employees' checks were cashed. But I repeat again, and, to me, it seems simple, I don't know why I don't make the mathematical point, that no duplicate point was issued to the same 18 employees, who are undoubtedly with us, because there have been few severances.

Mr. KENNEDY. Can you explain, then, on the bonds for Allen Robert Block, the son of Louis Block, issued in January 1952, in the total amount of \$4,000, why there was no money in that instance received by World Wide Press on the issue of those bonds?

Mr. RADDOCK. Again I repeat, Mr. Kennedy, and I believe I told you this in executive session, and I declare it under oath again, Mr. Block paid every single penny that he was supposed to pay for his bond purchases. No suspicious conditions can be alleged to it. Insofar as the income of World Wide Press, it should show such deposits, and your total of 212,000 out of the 213,000 out of my statement should prove that point up to \$1,000.

Mr. KENNEDY. The way to prove it, of course, would be to examine their bank accounts and records, and get support that they may have for the payments. Mr. Louis Block said that he paid for these bonds by check. He was unable to come up with any check showing that he had paid for the bonds. He told us where his bank accounts were

at the time. We checked them all. There was no withdrawal of money for the purchase of these bonds. We went to Mr. John O'Rourke, who received another suspicious payment of bonds, and he took the fifth amendment. We went to Mr. Horn, and he refused to answer about them. Your books and records indicate that the bonds were not paid for. That is all.

Mr. RADDOCK. The last part of the statement, Mr. Kennedy, is not accurate. Insofar as my testimony, since you have called me to testify under oath, and I wouldn't want to perjure myself, is that these men positively paid for their bonds, and that no one got a bond without paying the full money, with due respect for their testimony. I cannot be accountable for their testimony, but I will be accountable for mine.

Mr. WALDMAN. I think that is one of the transactions referred to in Mr. Raddock's statement, whereby, if you make the assumption that Mr. Louis Block's son did not pay, then there was a double payment by either a Butcher's union or by certain officials of the union.

I don't think counsel means to suggest that any union or union official paid twice for his bonds.

Mr. KENNEDY. From the review of the books and records, it is impossible to understand where the money came from for the bonds.

Senator GOLDWATER. Mr. Kennedy, have you examined the books of World Wide Press?

Mr. KENNEDY. Someone under my direction.

Senator GOLDWATER. On your staff. Did they find an entry in those books to indicate the receipt of the money for the bonds?

Mr. KENNEDY. No.

Senator GOLDWATER. That seems to be the answer.

Mr. KENNEDY. It says \$5,000 from John O'Rourke, and then we trace how those bonds were paid for. We checked them back and found out that they were paid for out of payroll checks from World Wide Press. Possibly, there is an explanation. But the way we went into it was to try to go to John O'Rourke, and he wouldn't answer. Then there was a suspicious circumstance regarding some of these other individuals where we couldn't get any answer. Mr. Raddock says that they all paid for them, and I think the facts speak for themselves.

Senator GOLDWATER. But you found no specific entry where \$5,000 was received from John O'Rourke?

Mr. KENNEDY. The \$5,000 was supposed to come from John O'Rourke. When we checked to find out where it came from, it came from the payroll checks.

Senator GOLDWATER. But there was \$5,000 on the books for the payment of bonds, for the bonds?

Mr. KENNEDY. Yes.

Senator GOLDWATER. But the money didn't come from John O'Rourke?

Mr. KENNEDY. According to their records, it did not come from John O'Rourke; it came from the payroll.

Senator GOLDWATER. May I elaborate?

Mr. KENNEDY. Then we have the two instances where there was no payment at all.



Senator CURTIS. I would like to ask some questions about that transaction. Mr. Raddock, is it your claim that Mr. O'Rourke did deliver or cause to be delivered to your place of business \$5,000 for these bonds?

Mr. RADDOCK. It is a fact, Senator.

Senator CURTIS. Then is it also your claim that, instead of depositing that money you used that money, that cash, to cash the payroll checks of employees that wanted their checks cashed?

Mr. RADDOCK. Senator Curtis, my answer to that question is, first, that John O'Rourke positively, according to my recollection, and it is very clear on the subject, paid \$5,000 for his \$5,000 worth of bonds. No. 2 question, that I did not, personally, cash checks, but my secretary was authorized, even without my authorization, she could have cashed out of World Wide Press income, a Trade Union Courier check, if she deposited an employee's exchange payroll check for that week. But I am positive that, if the committee had asked me 1 question, if they had shown me the 18 checks, and if all the 18 employees are there, or 17 or 16, they would attest to the fact, and the record would show, that they didn't get a duplicate payroll check; also, that they didn't donate the money to John O'Rourke, to me, or to World Wide Press.

I have no reason in the world for giving John O'Rourke 5 cents. Our friendship is a trade-union friendship of approximately 20 some years' standing, and nothing suspicious ever connected with it.

Senator CURTIS. What I am trying to get is the mechanics of it. O'Rourke paid the money in cash?

Mr. RADDOCK. In cash? I wouldn't recall that.

Senator CURTIS. He paid the money?

Mr. RADDOCK. Yes.

Senator CURTIS. And it is your contention that that money, instead of instantly being deposited in the bond account, was used to cash checks; is that right?

Mr. RADDOCK. That is what I learned from one of the investigator's testimony.

Senator CURTIS. I don't care when you learned it. Is that what you contend happened?

Mr. RADDOCK. I don't contend it, Senator. That is the explanation adduced here by one of the investigators who testified regarding such a transaction.

Senator CURTIS. Then what was done with those checks that were cashed?

Mr. RADDOCK. Obviously they were deposited in the World Wide Press account in lieu of whatever moneys World Wide Press advanced for those 18.

Senator CURTIS. Were they deposited in the same place that the receipts for sales of bonds were deposited?

Mr. RADDOCK. Positively.

Senator CURTIS. How much did those 18 payroll checks amount to?

Mr. RADDOCK. According to the testimony of the investigator of this committee, it was almost the total except for under a hundred dollars, I believe.

(The witness conferred with his counsel.)

Senator CURTIS. It is your contention that is what happened?

Mr. RADDOCK. According to the testimony——

Senator CURTIS. No; I don't care about that.

Mr. RADDOCK. Senator Curtis, from my own personal knowledge I can't contend anything pertaining to the cashing of the 18 checks. The only thing I will say unhesitatingly is that the men who purchased bonds paid for those bonds, and, the other, that if we deposited payroll checks we, in turn, got money for those 18 payroll checks from the World Wide Press account.

I can say nothing else but, if that is what the books show. But I can assure you of one thing, Senator Curtis, not one penny comes from any suspicious quarter, nor was it given under suspicious circumstances, nor any sort of a gift of a bond given.

I declare that again unhesitatingly, unequivocally, not out of consideration only for myself but all the good people who purchased bonds.

Senator CURTIS. For how long a period of time were these 18 checks cashed?

Mr. RADDOCK. I have no knowledge whatsoever. This is totally testimony out of the investigator's testimony from the records.

Senator CURTIS. I am informed that they were all cashed substantially at the same time.

Mr. RADDOCK. If that is what the record shows, that is what it is.

Senator CURTIS. I would like to ask this question: Is there anything to show—these were payroll checks on what payroll?

Mr. RADDOCK. The Trade Union Courier which occupied the very same office at that time.

Senator CURTIS. I would like to ask the staff or the witness: Is there anything to show the money used to cash these checks came from any other source, other than the possible hypothesis that it was O'Rourke's money?

Mr. KENNEDY. We just don't know where the money came from, as I said.

Senator CURTIS. I am surprised you don't know whether this did or did not happen.

Mr. RADDOCK. Do you mean the cashing of the checks?

Senator CURTIS. Yes.

Mr. RADDOCK. Senator Curtis, if the committee investigators who have found in the records that such things occurred many more times, it would not surprise me at all, because very often in any organization if a bank is closed and a worker wants a check cashed, if there is cash around in the office they will cash the check for him. It is as simple as all of that.

Senator CURTIS. And that was your practice there?

Mr. RADDOCK. It would be our practice today, too. For instance, if I took a check for expenses, an expense that I intended to incur, and I needed the cash for it, and if there was cash in the office, I would ask them to cash the check for me.

The CHAIRMAN. Do you remember whether Mr. O'Rourke paid you in cash or by check?

Mr. RADDOCK. I truly can't recall any such transactions, but I do know that I personally asked him to buy the bonds. I described the circumstances, I believe, at an executive session. I was going to repeat it again, if you want me to repeat it, Senator McClellan, I can only tell you to the full extent of my recollection.

The CHAIRMAN. I just asked you the one question of whether it was by check or cash. He doesn't want to testify. If it was by check, we ought to be able to find the check. You say it was by cash. I am not surprised that there were such transactions in cash. It is not to criticize. Some people do use cash. But we have found many cash transactions, in the course of these hearings, that, when ferreted out, leads to information that indicated something was wrong.

Mr. KENNEDY. I want to ask you now about the Federal Trade Commission ruling back in December 1954 in connection with the Trade Union Courier.

Mr. RADDOCK. Do you want to ask me about it?

Mr. KENNEDY. Is that right? Was there such a ruling?

Mr. RADDOCK. Yes. There were two rulings, I believe.

Mr. KENNEDY. According to the information that has been developed before the committee, your solicitors have continued to indicate that they represent the American Federation of Labor, or to give that impression, at least.

Did you know or were you aware of the fact that they were doing that?

Mr. RADDOCK. Mr. Kennedy, the answer is "No," and I would not approve of it; also, as my statement indicates, we disclaim affiliation or identification with AFL-CIO headquarters, and I personally, as editor of the Courier, do not require of our sales people to assert the AFL headquarters prestige in order to solicit an ad sale for the Trade Union Courier. If anyone does that, it is in contravention of our avowed policy.

Mr. KENNEDY. Do you give them any specific instructions not to describe themselves or give the inference that they represent the A. F. of L.?

Mr. RADDOCK. Personally, I don't maintain any direct contact with the advertising department. My office is not located in the Courier. But I can state for the record that when most of our sales people, I would say most of them, are there at least 15 years, and they all know that that is our rigid policy.

If anyone deviates, he is doing it on his own responsibility. If we knew about it, we would take prompt disciplinary action, if anyone advised us on the subject.

Mr. KENNEDY. Have you taken prompt disciplinary action against Mr. Koota?

Mr. RADDOCK. We certainly did. My bother, Bert, who is the business manager. No sooner did we leave Washington, but I had a discussion with him, and I told him to take prompt action to discipline Mr. Koota. He called a meeting of the entire staff, and read to them the record of Mr. Koota's assertion, and received absolute assurances from the advertising department and the management that it will not occur again.

Mr. Koota was suspended for a period of 4 weeks without pay. We hate to do a thing like that, but he pledged himself. He realized his sales talk was on the stupid side, and said he wouldn't repeat it again. We are at least forgiving in the human sense.

Mr. KENNEDY. When you hired Dave Koota, had he come out of jail? Is that where you got him from?

Mr. RADDOCK. May I say this: I didn't walk into any jail. I don't want to be facetious, but your question is in such a dramatic form. I didn't go into jail to pluck them out and I didn't know he came out of jail.

Mr. KENNEDY. Did you know he had just come out of jail?

Mr. RADDOCK. I did not. And please be sure that we don't take our employees from any jails, and that is not a recommendation for employment in the Trade Union Courier. Perhaps it is more of a recommendation for yearbooks, but not for the 23-year-old Trade Union Courier.

Mr. KENNEDY. How about Harry Pickman?

How long has he worked for you?

Mr. RADDOCK. I would say about twenty-some years. He has cancer right now and he is the advertising manager of the Courier. That is one of the reasons that Mr. Koota was able to do what did, or was allowed to do what he did.

Mr. KENNEDY. Didn't he come right out of the penitentiary in mail fraud when he came to work for you?

Mr. RADDOCK. The answer is, Mr. Kennedy, I don't know where he came out from. He came out of his mother's womb. So far as I am concerned, I didn't consider Mr. Pickman a jailbird, I didn't know him to have a jail record. As a matter of fact, I don't ask employees. I personally would not ask employees whether they have a jail record.

Mr. KENNEDY. You have made some derogatory reflection on the yearbooks. You said the yearbooks hire people out of jail.

I want to go through a list of the people that work for you.

Mr. RADDOCK. Might I say this, Mr. Kennedy. I think from the standpoint of the American fair play—

Mr. KENNEDY. Let's go through the list of people that you have.

Mr. RADDOCK. You want to go through it. But I should be a willing party. Should I say that I don't relish being made the scapegoat of such a situation.

You would feel that I am not cooperating. I repeat again, these men are not here; let them answer for themselves. But I did not hire jailbirds; I wouldn't hire people for being jailbirds. I hire an advertising salesman for his ad-selling talents and nothing else but. Also, that is as another fellow human being, I do not ask people whether or not they have a jail record.

That is not part of our list of questions.

Mr. KENNEDY. Maybe I could help you by telling you that a great number of the people that work for you have jail records.

Mr. RADDOCK. Have you done likewise, Mr. Kennedy, with every organization in the United States to ascertain—

The CHAIRMAN. Wait a minute, now.

This committee has only been in existence for 15 months. We couldn't possibly do that. But wherever we have conducted an investigation, the background and things like this have been looked into and they have been placed on the record heretofore.

There is no discrimination against you in this instance. It would be impossible, of course, for this committee, and I don't know that it ever shall get around to investigating everybody.

Mr. RADDOCK. Senator McClellan, I feel that the committee has done some very effective work in many fields, in many areas, and in many regards.

But I don't feel that it is esthetically correct to subject these names, the names of these family men to disparagement, just in case they have a blemish on their record of 15, 20, or 25 years ago.

Neither am I sitting here as their godfather. Also, I don't hire our employees. They are hired by the advertising manager. I haven't hired an advertising salesman in 20 years.

Mr. KENNEDY. Mr. Raddock, you stated that you didn't get people directly out of jail, and I thought that by asking you some questions about this matter, maybe it would refresh your recollection.

I have found seven individuals that work for you that came right out of the penitentiaries to start to work for you as solicitors, and a number of them have very long criminal records.

Mr. RADDOCK. What is the point you want to make, Mr. Kennedy?

Are you asking me a question whether I knew whether these people have, or is the point merely a press point that there are seven people, advertising people, on the Courier staff who have a record?

I will say this for our salespeople: They are on a par with the salespeople of newspapers throughout the United States of America, and I am sure they are not in a class on this unto themselves.

Mr. KENNEDY. I am sure that the newspapers of the country will appreciate that statement of confidence.

Mr. RADDOCK. Being part of the fourth estate, I am glad to join in the spirit.

Mr. KENNEDY. The Trade Commission gave certain instructions and rulings regarding your solicitors. According to our investigation and the testimony developed before the committee, these solicitors were continuing to do the same practices that they were forbidden to do by the Federal Trade Commission in 1954.

Looking to the record of these solicitors, we found that you hired people that came directly out of the penitentiary. These are not just people with criminal records, but people that came directly out of the penitentiary to work for you as solicitors.

Most of them, I might add, were in jail for stock swindling, swindling of other kinds, and confidence men.

Mr. RADDOCK. Is that a question or a statement?

Mr. KENNEDY. I thought you wanted some clarification.

Mr. RADDOCK. If you had given me any enlightenment at any time concerning any of our sales people and you felt that you had some reasonable criticism to offer that we ought to take some disciplinary action about, I would have been glad to take such things under consideration.

I had no personal knowledge, Mr. Kennedy, of anyone's jail record. Once again I can only state to the distinguished members of this Senate committee that I personally would not ask any man who came to work for us, be he a writer, a reporter, a clerk, an office boy, a messenger or an advertising salesman, whether he has a jail record. If a man volunteered that, I would take the particular situation under advisement and find out whether or not I personally considered him trustworthy enough to give him a probationary period on the Courier and see whether or not he can sell reliably.

Mr. KENNEDY. I think certainly if you had 1 or 2 solicitors with jail sentences it would be one thing, but when you have 7 people, and from the records it indicates that they came directly from the jail to work for you, that makes it of considerably more importance.

Mr. RADDOCK. Mr. Robert F. Kennedy, if you had called me up personally to tell me the day I hired them for the Courier, and not personally but through personnel, that such was the case, I would take under consideration the situation.

If they came out of the penitentiary, I would suggest another brief rehabilitation period before they came into the Trade Union Courier.

Senator GOLDWATER. How many salesmen work for the Courier?

Mr. KENNEDY. How many salesmen do you have?

Mr. RADDOCK. I truthfully don't know, Senator Goldwater, but it probably must be in the neighborhood of 15. I think around the 15 figure. That is usually the ratio of advertising men employed. I personally have not hired a single man, I would say, in, easily, 15 years.

Mr. KENNEDY. You have had some complaints from other sources other than the A. F. of L.-CIO regarding the activities of your solicitors, have you not?

Mr. RADDOCK. No; none to my knowledge.

Mr. KENNEDY. None from the Better Business Bureau?

Mr. RADDOCK. None to my knowledge, Mr. Kennedy. I would like to say this: I have seen blurbs in various Better Business Bureau periodicals, and perhaps in some of their own year books, in which they reflect derogatorily on the Courier's ad methods. But if a proper penetrating search into the situation was made, and I made some when I received personal complaints, it usually is another labor year-book scate who makes the complaint and engenders the heat against our Trade Union Courier advertising salesmen. But if I personally would receive a complaint, I assure you I would take the necessary action. But I also don't stand there with a bat and a club beating men down.

They are nothing else but ad salesmen, typical of the advertising field.

The CHAIRMAN. Here is an affidavit. I do not have time to peruse it all. It is signed by Mr. Emmett Dean, manager of financial and commercial division of the Better Business Bureau of New York City.

The affidavit without objection may be printed in the record at this point.

I will read it and see if you care to comment.

STATEMENT OF EMMETT DEAN, MANAGER, FINANCIAL AND COMMERCIAL DIVISION, BETTER BUSINESS BUREAU OF NEW YORK CITY, INC., 220 CHURCH STREET, NEW YORK, N. Y.

I, Emmett Dean, residing at 605 East 14th Street, New York City, and employed by the Better Business Bureau of New York City, Inc., 220 Church Street, New York City, as manager of the financial and commercial division, depose and swear that in my division I received numerous inquiries and some complaints from businessmen who state that they have been solicited by long-distance telephone calls to place advertising, or authorize advertising in the Trade Union Courier. The complaints allege long-distance telephone calls are received from New York City, during which the telephone solicitor of the Trade Union Courier "insists" that an advertisement be accepted in the publication. The solicitor claims to be affiliated with "unions." The solicitor, according to the complaints, also claims to be "endorsed by the American Federation of Labor."

A few businessmen state they checked with the AFL-CIO and determined that the Trade Union Courier was not "sanctioned" by the AFL-CIO.

Complaints received over the years have stated that Trade Union Courier has exploited various labor notables, such as the Samuel Gompers Centennial Committee advised it had no connection with the Trade Union Courier promotion, as did local AFL officials.

At one time businessmen complained that they were told that an advertisement in the Trade Union Courier would help further the sale of War Bonds.

Another businessman complained he had been solicited for a half-page in an AFL-CIO convention book to be distributed at the annual convention in Miami, although the convention was not being held in Miami that year.

Still another solicitor for advertising said the AFL convention that year would be held in Washington when he telephoned for an advertisement in the Trade Union Courier. Other businessmen state that they were solicited by the Trade Union Courier for advertisements on the basis that they would supplement an article appearing in the publication and which would have an anti-Communist theme.

The New York City Better Business Bureau has received more than 300 inquiries from members of the public, banks, chambers of commerce, civic associations, other Better Business Bureaus and businessmen who had been solicited to place advertising in the Trade Union Courier. Many of these inquiries to the bureau indicated that the name of the AFL or AFL-CIO had been used in connection with the telephone solicitation. Yet the late William Green, president of the American Federation of Labor, disavowed some years ago any connection between the Trade Union Courier and the AFL. He said:

"The Trade Union Courier Publishing Co. is in no way connected with the American Federation of Labor. It possesses no authority to use the name of the American Federation of Labor in soliciting advertisements or to claim that those who represent it are calling from the circulation department of the American Federation of Labor headquarters."

More recently George Meany, president of AFL-CIO, said in regard to the Trade Union Courier:

"This so-called labor newspaper has neither moral or legal right to imply that it has the backing or cooperation of the American Federation of Labor in soliciting funds from business firms."

The New York Better Business Bureau has been reporting these statements to inquirers. In recent years there has been a group, some with proven criminal records, who have invaded the labor publication field with boilerroom tactics in an effort to prey on gullible businessmen. Some of these publications exist only for brief periods of time because of the activities of Better Business Bureaus in exposing the principals and their backgrounds. But even in these brief periods our experience has shown that they may reap a lucrative harvest.

One of the earliest such papers is the Trade Union Courier. It began operations in 1936. In July 1945, Mr. Maxwell C. Raddock told the deponent during the course of an interview that the Trade Union Courier was incorporated in 1939. He said he was the president and only shareholder. He said he started the Trade Union Courier in 1936 because he saw the need for an AFL newspaper. Its purpose, he continued, was to advance the interest of the AFL, Americanism, and the labor movement.

He said the Trade Union Courier was the official newspaper of many labor councils, all AFL, in upper New York State, New Jersey, Canada, and New England. However, Mr. Raddock refused to name these councils. He said the Trade Union Courier was the official organ. These sums, he said, were from advertising revenues, and were distributed to unions to make up losses incurred when the unions gave up printing their own annual journals to accept the Trade Union Courier as their official publication. These sums, he said, averaged 8 or 9 percent of the Trade Union Courier's profits. Mr. Raddock said he would not disclose circulation figures, and that was final. He did say distribution was by bulk delivery to unions as well as by mail to individual union members. Most of the unions receiving the Trade Union Courier, he said, charged their members a per capita tax for the publication and paid the publication either 2 cents a copy or \$1 yearly per copy.

The Better Business Bureau of New York City strongly condemns the high-pressure "boilerroom" tactics employed by phony labor publications which seek to obtain payments for advertising through vicious deception and misrepresentation. We shall continue our activities in exposing this racket and we are certain that its extinction would be of invaluable benefit to the public, business-

men, and labor unions alike. The undersigned swears and deposes that the statements contained herein are, to the best of his recollection and information, true and honest statements.

(Signed) EMMETT DEAN,  
*Manager, Financial and Commercial Division.*

Sworn to and subscribed before me this 3d day of June 1958.

[SEAL] LOU LIEBERMAN,  
*Notary Public in the State of New York. Qualified in New York County.*

Certified in New York County clerk's and registrar's office.  
 Commission expires March 30, 1959.

The CHAIRMAN. That is the full statement of Mr. Emmett Dean, manage for the financial and commercial division of the Better Business Bureau of New York City. It may be printed in full in the record.

Do you wish to make any comment, Mr. Raddock?

MR. RADDOCK. It is quite a lengthy letter, a treatise on a subject, apparently, about which this man is a very mature authority. I can only attempt to answer some of the slurs therein. I will try to refresh my memory, Senator McClellan, because this man apparently referred to instances many years ago. I believe one of the dates he referred to was 1945.

(At this point Senator Goldwater left the hearing room.)

The CHAIRMAN. May I ask you: Are you familiar with the quotes in there regarding Mr. Green, Mr. William Green, and also of Mr. Meany? Have those statements from these labor leaders come to your attention heretofore?

MR. RADDOCK. Yes.

The CHAIRMAN. When?

MR. RADDOCK. Through blurbs in various labor souvenir journals, yearbooks, and official boilerplate house organs of central labor bodies.

The CHAIRMAN. In other words, those statements of the two presidents of the AFL have been published and have come to your attention heretofore?

MR. RADDOCK. May I say this, Senator McClellan.

The CHAIRMAN. Well, is that correct?

MR. RADDOCK. Through the manner in which I previously described. Through—

The CHAIRMAN. I said they had been published and come to your attention heretofore.

MR. RADDOCK. Yes. But I would like to add this.

The CHAIRMAN. Let me ask you this and then you may answer. How long ago was it that they came to your attention, that they were first published?

MR. RADDOCK. That I couldn't specifically say. But to the best of my recollection these things were normally engendered by the advertising manager or promoter of a yearbook or a souvenir journal of a union, a local union or a central labor body, who wrote to Mr. Green and started off as follows: "The Trade Union Courier is doing this and this naughty thing. What do you think of the Trade Union Courier." to the venerable Mr. William Green for whom I had a great deal of respect and affection. Mr. Green in turn promptly replied to the letter in customary fashion and said, "Such tactics are very, very naughty."



He responded to the letter just in the same spirit and context as the writer saw it. Mr. Green also, at executive council meetings, declared that the Trade Union Courier is the best labor newspaper in the United States editorially and reportorially. He told me on several occasions that he has had some complaints regarding a Trade Union Courier salesman's ads solicitation. Mr. George Meany at the executive council meetings of the A. F. of L. prior to the merger, likewise declared that the Trade Union Courier is the best labor newspaper in the country, and if the A. F. of L. could spend a million dollars to buy it, he would recommend it.

These are not guess conversations. They occurred at the executive council meetings. He simultaneously took to task those critics who engendered those complaints. There has been a change of heart on the part of Mr. Meany when we differed with him editorially regarding the road on to which he is taking the labor movement.

The CHAIRMAN. In other words, you got along with Mr. Meany well, is that what you implied?

Mr. RADDOCK. Pardon?

The CHAIRMAN. You got along with Mr. Meany very well until you published some editorials he disagreed with?

Mr. RADDOCK. I wouldn't put it in that form, Senator, out of consideration for Mr. Meany. After all, he is the president of the A. F. of L.-CIO.

The CHAIRMAN. Just out of consideration for the truth?

Mr. RADDOCK. In the interests of truth, I would say this, that Mr. Meany and I knew each other probably some 25 years. I remember him very, very well as president of the New York State Federation of Labor, where he, too, ran a yearbook. As far as I am concerned, being a sturdy A. F. of L.'er myself, I got along splendidly with him. In recent years he has developed a change of heart and mind. If Mr. Meany would write me a letter ever complaining or explaining annoyance or grievance or a legitimate complaint regarding any one of my employees, I would promptly act on it. I have never, in turn, Senator, complained or aired in the Trade Union Courier, or sensationalized out of proportions in this sort of a fashion, the doings of individuals anywhere inside the labor movement, including Mr. Meany's own official family.

The CHAIRMAN. Let me ask you a question. Based on these reports of statements by Mr. Meany, did you ever look into your sales organization to find out if they were engaging in these practices?

Mr. RADDOCK. Yes, sir, Senator McClellan.

The CHAIRMAN. And you found it to be true or not to be true?

Mr. RADDOCK. Here is specifically what I found in one instance where I personally investigated. This occurred about a half dozen or more years ago in the Rhode Island area, Providence, R. I., specifically. I was there to address the executive board meeting regarding the official adoption of our newspaper as the organ for the Rhode Island State Federation. They had a yearbook there which the Providence Journal exposed as taking in \$300 and collecting \$19,000.

The CHAIRMAN. Why can't you answer the question?

Mr. RADDOCK. I am trying to answer it, Senator.

The CHAIRMAN. You are going into little minute details that are wholly unrelated to the issue.

Mr. RADDOCK. I didn't realize they are, Senator. If they are, I want to apologize.

The CHAIRMAN. I want to extend you every courtesy, but why not try to answer the question. Proceed.

Mr. RADDOCK. Proceed with the story or shall I wait for the question?

The CHAIRMAN. Well, I asked you a question about what action did you ever take, and then you go into some meeting way off somewhere about \$19,000 and something else, which has no relation to the question at all. If you took action, who did you take it against and when?

Mr. RADDOCK. Against the yearbook solicitor for the Providence Central Labor Union, who I found was the culprit responsible for lodging the complaint against the Trade Union Courier.

The CHAIRMAN. All right. What is his name?

Mr. RADDOCK. His name I don't recall. But the man who was presiding then at the State Federation of Labor meeting was Daniel White, was the secretary of the Rhode Island State——

The CHAIRMAN. Did you take it against Daniel White?

Mr. RADDOCK. No.

The CHAIRMAN. Why did you mention his name?

Mr. RADDOCK. You asked me with whom I lodged the complaint. With the labor body involved because the story I was telling you was to describe the intimate details so that you would see it in correct perspective.

The CHAIRMAN. All right. You say you took action against the man that you found to be the culprit in your organization.

Mr. RADDOCK. Not my organization.

The CHAIRMAN. Well, in your organization. These men in your organization who were doing these things, did you ever take any action against any of them?

Mr. RADDOCK. Senator McClellan, I tried to answer——

The CHAIRMAN. You just took action against somebody that made a complaint, apparently.

Mr. RADDOCK. Senator McClellan, I did what was necessary. Once a complaint reached my ears, I did everything that the situation called for, and since you don't feel——

The CHAIRMAN. I am not sure about that. Maybe you have. That is what I am trying to ask you. You had information for years that people were using these tactics soliciting ads for your paper, didn't you?

Mr. RADDOCK. That is not correct, Senator.

The CHAIRMAN. When Mr. Meany and when these others made these statements about it, and you heard of these statements, and read about them, what did you do then to correct the situation?

Mr. RADDOCK. When I heard it on one or two instances, I communicated with Mr. Meany and Mr. Green, and when one of them would not see me, I asked several labor leaders to go up and ask would they give me the specific complaints so that I could do something——

The CHAIRMAN. What did you do within your own organization to correct it?

Mr. RADDOCK. Whenever I had a specific complaint, I handed it to the advertising manager for investigation and for a report.

The CHAIRMAN. Did you follow up on it?

Mr. RADDOCK. Definitely, unequivocally, and fully.

The CHAIRMAN. Did you ever get any confirmation that these things were happening?

Mr. RADDOCK. No, Senator McClellan.

The CHAIRMAN. Did you make any investigation to determine whether they were happening?

Mr. RADDOCK. In three instances I made personal investigations and confirmed that they were untrue and inspired by other yearbook operators.

The CHAIRMAN. Well, this is the testimony you want to give. I see of no instance—if there is one, you tell me—where you ever discharged or reprimanded an employee for this sort of tactics.

Mr. RADDOCK. Yes; we did discharge two employees. I did not discharge them, but the organization discharged two advertising sales people.

The CHAIRMAN. Who were they?

Mr. RADDOCK. The names I don't recall, but one of them went to work immediately for the New York Central Trade and Labor Council and the other one went to work immediately for a union paper in Camden, N. J., and Philadelphia.

The CHAIRMAN. I would think you could recall their names if you recall all of that.

Mr. RADDOCK. I don't recall. I certainly recall the instance, Senator.

The CHAIRMAN. What were they charged for?

Mr. RADDOCK. For misrepresenting the Trade Union Courier.

The CHAIRMAN. In what respect?

Mr. RADDOCK. In exaggerating the role of the Trade Union Courier and not presenting it to the potential advertiser accurately and correctly and in a manner which we personally approve of and favor.

The CHAIRMAN. Did you approve and favor of these tactics?

Mr. RADDOCK. If the better business bureau would send me a specific complaint, Senator, I assure you I would act on it. I have not received any complaint. I could remember—

The CHAIRMAN. Is there not some responsibility on you, do you not accept some responsibility, for knowing what goes on in your organization?

Mr. RADDOCK. Senator, I wouldn't shed an iota of responsibility. Neither would I feign a lack of knowledge, like some labor heads of some of these yearbook promoters do.

The CHAIRMAN. Right at the moment we are not investigating the yearbooks. You say things are unfair because we are asking things here and because we have developed information. I don't know but what you are being very unfair to some other publication by constantly referring to them in the manner in which you do. What do you think of that?

Mr. RADDOCK. I wouldn't want to be unfair to anybody.

The CHAIRMAN. Aren't you casting aspersions on others?

Mr. RADDOCK. Of those that you, yourself, have uncovered.

The CHAIRMAN. We have uncovered something here that we are trying to interrogate you about. Every time we ask you, you talk of some other publication.

Mr. RADDOCK. If you find me garrulous, Senator, to me these things are vitally important. I want to try to be as specific as you want me. If I use a circuitous route, it is because I want to detail the facts so that they will be properly understood. If you ask me a question or any question, if I am asked a question in such a manner, I will answer.

The CHAIRMAN. I don't want to deny an adequate or proper explanation. You are entitled to that, and certainly the committee wants to grant you that opportunity. But you keep bringing in other publications and referring to them in a derogatory reference. Yet you say we are unfair because we take the records and interrogate you about them as to your own business.

Mr. RADDOCK. I didn't say you were unfair, Senator McClellan. I didn't say anything of the sort.

The CHAIRMAN. There is such a thing as an implication. I thought we had presented the matter fairly. I thought we had given you a chance to explain all of it to us beforehand.

Mr. RADDOCK. You just read to me a letter that was written to you by a third party of which I have no personal knowledge. You asked me for my comment. Believe you me, I would love to comment on 4 or 5 points that were raised there.

The CHAIRMAN. The Chair will be glad to hear you.

Mr. WALDMAN. Before Mr. Raddock starts on that, on one other item on which you questioned him, on which he answered, namely, the earlier sentiments of Mr. Green and Mr. Meany, which he stated in the case of Mr. Meany did change at some point, we do have documentary support and I would like to present letters from Mr. Green and Mr. Meany praising lavishly the Trade Union Courier and its editorial and reportorial policies.

The CHAIRMAN. The Chair will be glad to receive them and examine them.

You may proceed with your statement.

Mr. RADDOCK. Hoping that I can be as terse as is desired, my recollection regarding an incident referred to about a Gompers centennial, I remember personally a visit by the representative of a group which set itself up with the full authority of the A. F. of L., calling itself a Gompers centennial about a dozen or so years ago, and we were asked to be the official organ of such a thing.

I, in turn, presented certain conditions. I wanted to utilize the Courier for a historical edition, approximately 100 pages in size. The man had other ideas involving ads and so forth, and, instead, put out a yearbook. So any complaint regarding us on that subject would require an insight into just what happened with the Gompers centennial.

Regarding our anti-Communist stand, I guess in America it is highly popular, the anti-Communist theme is a highly popular thing. I am personally anti-Communist. I have been that way ever since I was reared and raised in my school.

However, the Trade Union Courier advertising content contains anti-Communist slogans which, in our opinion, serve to educate our readership into pursuing an anti-Communist line, and in that manner I feel we render a salutary service. A study of other labor newspapers throughout the United States of America would show that we are far more articulate in editing and preparing our anti-Communist

slogans than most who feature ogres, bears, and other sorts of animals.

The CHAIRMAN. O. K. You have the animals in there now. Proceed.

Mr. RADDOCK. Regarding war bonds, ever since the war broke out, we have been doing our share, as has any other American institution, to promote the sale of war bonds. I think in that sense the Trade Union Courier renders, too, an important contributing service. Regarding our unwillingness to disclose to this writer for the Better Business Bureau our circulation at that time, might I say this, that the same Better Business Bureau regarding the central labor body organ in New York, which was handed out to promotional people, declaring "A million membership" even though the circulation might have been 500, and upheld this central labor body because it had the "official emblem or official sanction." You can understand readily, Senator, my unwillingness to go along with an organization that would be that irresponsible and not making a thorough and penetrating study of the difference between the two publications, circulation, editorial influence, content, et cetera, and its willingness to help promote sales for one by declaring it legitimate and noble and the other suspect.

But on any complaint regarding your specifics, after the FTC action, Senator, I again gave orders to the staff never to misrepresent the Trade Union Courier, and printed in our newspaper our disclaimer of any AFL-CIO headquarters affiliation.

We don't feel that a headquarters stamp of approval for a free labor press in America is necessary for a labor paper to function, and independently as an individual and an editor of the newspaper I would not accept the endorsement from AFL-CIO for our publication if it would make us subservient and take away our independent right to express a counter editorial opinion or a counter political opinion or differ with them on any issue affecting our society.

The CHAIRMAN. Have you completed?

Mr. RADDOCK. Yes, sir; respectfully, Senator.

The CHAIRMAN. The Chair has examined the two letters presented by counsel for you. Would you care to identify them and state that you did receive these, that these are photostatic copies of letters that you did receive from Mr. George Meany and Mr. William Green?

Mr. RADDOCK. I will so identify both of these letters from Mr. Meany and Mr. Green.

The CHAIRMAN. They may be made exhibit No. 41A and B.

(The documents referred to were marked "Exhibits 41A and B" for reference, and will be found in the appendix on pp. 12176-12177.)

The CHAIRMAN. The one from Mr. Meany is dated December 18, 1940, and the one from Mr. Green is dated December 20, 1940.

Have you had similar letters of praise and commendation from either of them since that time?

Mr. RADDOCK. We were approximately 4 years old at that time; and, obviously, if we deserved such lavish praise, and I don't know whether it was deserved or not, I am sure we had letters much later. But after a while the Trade Union Courier stopped parading the letters and relied chiefly on its own editorial standing.

The CHAIRMAN. I can appreciate that at that period of time.

I mean, it may be true that at that period of time maybe those practices that have been revealed here by the testimony had not been engaged in or had not been discovered, and that was prior to the time that Mr. Meany or others may have undertaken to inform the public that your paper in no way represented them, and that they didn't approve of certain tactics. I wondered if those conditions had developed since, or if you had letters of recent date commending you, from Mr. Meany or someone like that.

I think it would be proper for you to put them into the record.

Mr. RADDOCK. I wish I had such letters to put into the record, Senator, but I would say this, that we had letters later. We had other commendations from both of these gentlemen much later than 1940. I personally don't have these letters. If they exist, they may be in the committee's hands.

The CHAIRMAN. I can see very well, too, that you might publish editorials that reflected credit or gave approval or gave favorable comment to the labor movement, to the A. F. of L. or to some particular union, and that certainly the president or any other official of the union, or maybe any member thereof would not want to disagree with you, but would appreciate that attitude or that policy or that publication on the part of your paper. Yet they would not, if they knew it, condone or be a party to, or permit the name of the A. F. of L., the CIO, or their union to be used in a way that might bring about deception in the securing of ads.

So they might well approve an editorial you would write and then wholly disapprove of tactics that might be employed by you or by members of your soliciting staff with respect to how you procured advertising.

Mr. RADDOCK. According to the transcript, Senator McClellan, it was either you personally or Senator Curtis who asked whether or not we received these complaints from Mr. Meany or whoever wrote it.

I would like to state for the record that I never received a single complaint from Mr. Meany, neither did the Trade Union Courier or any individual on the Trade Union Courier, and in two instances when we received at my insistence from Mr. Green two such complaints, we investigated them and confirmed to him their untruth, and that they were inspired by yearbook competition, as much as that subject is taboo at this moment.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Who is Harold Danforth?

Mr. RADDOCK. Harold Danforth is a professional private investigator.

Senator CURTIS. Where is he located?

Mr. RADDOCK. On 42d Street in New York City. I believe the number is 17 East 42d Street.

Senator CURTIS. That is his general business, investigating?

Mr. RADDOCK. Yes. He is a professional head of an investigating bureau.

Senator CURTIS. Do you know whether he is licensed?

Mr. RADDOCK. Yes.

Senator CURTIS. And you employed him?

Mr. RADDOCK. Yes.

Senator CURTIS. For what purpose did you employ him?

Mr. RADDOCK. To investigate certain issues that I, on behalf of my organization, was concerned about.

Senator CURTIS. What specifically did you employ him for in reference to Walter Reuther?

Mr. RADDOCK. I asked him, Mr. Danforth, who has a very fine reputation as an investigator and now as a writer—I believe he authored a book called D. A.'s Man or coauthored a book called The D. A.'s Man—to check into everything he can possibly find regarding the activities of Walter Reuther in order to help me amass information that I required for two of my activities, one as editor of the Trade Union Courier, and then for a forthcoming book that I personally am writing on George Meany.

Senator CURTIS. Did you deal with Mr. Danforth personally?

Mr. RADDOCK. Yes, sir.

Senator CURTIS. He made reports to you?

Mr. RADDOCK. We had chiefly oral types of reports, because he never fully developed any of the more serious aspects of the issue that I wanted to investigate and confirm.

Senator CURTIS. About what year was this?

Mr. RADDOCK. This was about May. Our relationship began about May 1957.

Senator CURTIS. And for how long a time did you have him employed?

Mr. RADDOCK. I would say about 4 to 5 months.

Senator CURTIS. Did you pay him with personal funds?

Mr. RADDOCK. Organizational funds.

Senator CURTIS. I beg your pardon.

Mr. RADDOCK. Organizational funds.

Senator CURTIS. Do you recall which one of your business organizations?

Mr. RADDOCK. The American Institute of Social Science.

Senator CURTIS. Do they do other research?

Mr. RADDOCK. Oh, yes.

Senator CURTIS. Is that organization or expenditures called into question in this transaction, in this investigation, that you know of?

Mr. RADDOCK. I don't understand the question, Senator Curtis.

Senator CURTIS. I can't see the relation between a publication hiring an investigation made of any individual in the United States to the business operations of the Trade Union Journal or otherwise, and I just wondered why it was called into question here.

Mr. RADDOCK. I don't understand personally. I am in total agreement with you, Senator Curtis, I don't understand why it was done.

Senator CURTIS. Have the financial records of—what is it called, political science?

Mr. RADDOCK. American Institute of Social Science which is engaged in publication of a number of studies at this time.

Senator CURTIS. Are there financial records turned over to this committee?

Mr. RADDOCK. Yes, sir.

Senator CURTIS. What relation has that investigation by you as a publisher of an individual relate to these charges about irregularities, whether they are true or not in operating your trade journal? What is the connection? I don't see it.

Mr. RADDOCK. Just like you say, Senator, there isn't the remotest connection between whatever matters have been taken up in this study of our organizations' activities, and I also fail to see any connection.

Senator CURTIS. Was there any act performed by Mr. Danforth at your request or with your knowledge either before or afterwards that was in violation of law?

Mr. RADDOCK. The answer is, Senator Curtis, absolutely not, and Mr. Danforth, as I referred to him before, is a very reliable type of an individual, enjoying a good and responsible reputation on the New York City investigative sense. One of the conditions of our arrangement was that if he ran across any information that looked of an unlawful nature, that he should have the right and did have the right to report same to the proper agencies.

Senator CURTIS. What I am getting at is the methods followed by Mr. Danforth. Did you employ him to follow any unlawful methods or procedures?

Mr. RADDOCK. Positively not, and would not countenance any such thing.

Senator CURTIS. Did you learn that he did, and if so, I want my question to include whether you learned it before or after he did it.

Mr. RADDOCK. He performed no unlawful acts to my knowledge of any kind, and I don't think he would engage in such.

Mr. WALDMAN. Nor, I believe, Senator, has there been any charge or testimony before this committee, before whom Mr. Danforth did testify a couple of weeks ago.

Senator CURTIS. I have been fairly regular in my attendance before this committee, but that is one bit of testimony that I did not hear and have not read. The reason I raise the question is I realize that we are in a highly competitive field, both in publications, selling advertising, in labor union politics, and I was at a loss to know what the connection was between your investigation of Mr. Reuther and these general charges that have been leveled against you in your organizations here in regard to bond transactions, and other things that some witnesses have pointed out as being improper.

Mr. RADDOCK. As suggesting that we were improper.

Senator CURTIS. Well, the record will have to speak for itself. I don't know in detail which ones can be verified and which can't, or if any of them. But my query is: How does Mr. Danforth's investigation relate to any of that?

Mr. RADDOCK. Mr. Danforth, Senator Curtis, has no relationship, connection, of the remotest nature with any study presently under consideration by this committee. I personally, as editor of the Trade Union Courier, and of the American Institute of Social Science, employed and paid Mr. Harold Danforth, and no union has any connection by payment to him, with my employing him, whatsoever.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. When did you hire Mr. Danforth?

Was it May 1957?

Mr. RADDOCK. To the best of my recollection it was——

The CHAIRMAN. Was that after Mr. Meany had condemned the practices of your publication?

Mr. RADDOCK. The answer is, Senator McClellan, I didn't give his condemnation of the Trade Union Courier the slightest thought.



Neither was I aware that he would condemn, could condemn, nor did I give a hoot.

The CHAIRMAN. I don't know what connection it has, but it does appear that after your men had been using the name of the AFL-CIO, and putting on what have been called boilerroom tactics—

Mr. RADDOCK. They were probably referring to plumbers, not to me.

The CHAIRMAN. Well, it might be more fitting for a plumber than for you. But that then you started an investigation to try to get something on Mr. Meany and Mr. Reuther too so that you could counteract them because they had disapproved of some of your tactics.

Mr. RADDOCK. I don't know. That is all in the labor movement.

May I say this, Senator McClellan: You have always shown great responsibility in your actions on the American scene, and my interests were not in any way inspired by any vengeance because of a possible Meany irritation with an advertising sale or solicitation by one of my people. Rather, mine was a study into several personalities, who, in my opinion, exercised a very profound influence in the labor movement of America, and could influence the entire American scene.

My study was not intended to seek derogatory information, as the transcript has it, but, rather, to seek out or ferret out the truth regarding certain rumors that have circulated regarding these men on the American scene insofar only as it affects the shaping of the American labor movement.

I don't edit a Labor Confidential; neither do I write "whodunits," and I was not interested in trailing Mr. Meany or anyone else, but, rather, to follow through on letters, on reports, and other bits of information that have reached my desk both through the written path and through the oral path.

The CHAIRMAN. Mr. Danforth, I believe, has testified already before the committee. He gives a little different story about it, as I recall his testimony. Anyway, the record can be compared. Dave Koota did work for you as a solicitor agent, didn't he?

Mr. RADDOCK. Who?

The CHAIRMAN. Dave Koota.

Mr. RADDOCK. I tell you the truth. I don't know their first names.

The CHAIRMAN. Did Mr. Koota work for you?

Mr. RADDOCK. Yes.

The CHAIRMAN. All right.

Mr. KENNEDY. On this one question, Mr. Danforth testified before the committee that you stated that you represented, in connection with this investigation, certain union officials. Is that correct?

Mr. RADDOCK. No.

Mr. KENNEDY. Did you ever tell him that you represented certain union officials?

Mr. RADDOCK. I don't think that Mr. Danforth testified to that effect. I read the transcript, and I never told that to Mr. Danforth. And Mr. Danforth knows of me quite well since I am 23 years long or old on the New York scene.

Mr. KENNEDY. Just answer the question.

Did you in fact represent any labor union official?

Mr. RADDOCK. I answered just as I did to Senator Curtis. The answer is unequivocally "No." I represented no unions or union officials.

Mr. KENNEDY. Did you tell Mr. Danforth that you represented certain union officials?

Mr. RADDOCK. Positively not.

Mr. KENNEDY. You did not tell him that?

Mr. RADDOCK. Positively not, and that is not true, and neither did Mr. Danforth, according to what I read, state it for the record.

Mr. KENNEDY. Where did you say this \$2,000 came from? I believe Mr. Danforth stated in the record, and we can check it now, that you told him that you were representing certain union officials in this investigation.

We can straighten that out. You claim that he did not. Where did the \$2,000 come from that you have paid Mr. Danforth?

Mr. RADDOCK. From my pocket and from the account of the American Institute of Social Science, which advanced to me certain moneys on account toward activities of mine during the year 1957, and against draws or against arrears of money due me.

Mr. KENNEDY. This was just cash that you had?

Mr. RADDOCK. Yes.

Mr. KENNEDY. In other words, it was just cash you had in your pockets?

Mr. RADDOCK. It is good money coming out of the account of the American Institute.

Mr. KENNEDY. But there are no withdrawals from your organization which indicate that it was to go for this purpose. I am trying to find out where the money came from. It just came from out of your pocket?

Mr. RADDOCK. I told you it came from the American accounts of AISS, and I personally paid it in cash to Mr. Danforth as he testified.

Mr. KENNEDY. Well, it is not charged on the books, certainly—as a payment for this purpose on the books.

Mr. RADDOCK. I wouldn't know how it is charged, but before the year is out, and our fiscal year is up, it will be properly and accordingly charged.

Mr. KENNEDY. I am just telling you, until this investigation started and as of now, it is not charged on the books, but it is just a payment in cash. There is no indication where the cash came from. That is why I am asking you.

The third point is that even according to your statement here, on page 15:

I also asked Danforth to investigate the truth or falsity of certain rumors concerning George Meany in the hope that more widespread knowledge of the complete picture might cause him to stiffen his back in dealing with Reuther.

That is another way of stating that you were going to blackmail him. You were going to get information on Mr. Meany to try to blackmail him to stiffen his back against Walter Reuther.

Mr. WALDMAN. Not if you read the remainder of the statement, Mr. Kennedy.

Mr. RADDOCK. I read that part of the transcript where you personally, Mr. Kennedy, asked the question in that form, or stated the question in that form to Mr. Danforth. The answer is my record throughout my entire lifetime, on the record, would indicate that I have never used the Trade Union Courier or in any activity that I was engaged in, that I ever would blackmail anybody. The Trade

Union Courier's columns for 23 years have never been used to vilify a union official or a union or a politico personally.

Mr. KENNEDY. You gave Mr. Danforth, did you not, certain derogatory information regarding Mr. George Meany and told him to go further in his investigation of it?

Mr. RADDOCK. Since this committee began——

Mr. KENNEDY. Just answer the question.

Mr. RADDOCK. What you call derogatory information is an inference, frankly, or a label that I find slightly annoying. When you use the word "derogatory," you are implying that I wanted to spread something malicious regarding Meany. Rather than that, as an editor, I sought to check the truth of information that had reached me, and which I had to either confirm or help to put a stop to.

Mr. KENNEDY. It was unfavorable information?

Mr. RADDOCK. May I say this——

Mr. KENNEDY. Wait a minute. It was unfavorable information?

Mr. RADDOCK. I don't know. I don't even know what you are referring to specifically.

Mr. KENNEDY. The information you gave to Mr. Danforth, that you wrote out on a memorandum, was unfavorable information?

Mr. RADDOCK. I don't even know what kind of a memorandum you are referring to that I wrote out. If I saw the memorandum, I would tell you whether I wrote it and I would know whether it is unfavorable information. But as I was saying before, Mr. Kennedy, since I have been publicized as a result of these hearings, I also receive about another 20 letters containing what you might call derogatory information with an excerpt of a New York Times story by Loftus, which has brought me a lot of fame. People are sending me information every day that I don't solicit, of what you might call a derogatory information. I might consider them grievances and complaints that perhaps ought to be checked. Otherwise, if they are of an intra-union nature involving employment conditions of a man or human misery that I take it up with a proper source and help to get them corrected.

Mr. KENNEDY. That is all very interesting, but the situation was not that you were trying to develop some information that you would place the truth or falsity forward in your magazine, but, according to your very statement here, you were going to use that information to "stiffen his back" in dealing with Walter Reuther, which, of course, is entirely different.

Mr. RADDOCK. For instance, I don't know precisely what you derive from this. If I stiffen Meany's back, precisely what would be doing of a derogatory nature? I don't understand your interpretation. Unless you want to discuss the broad concepts of the labor movements, and I am sure that would become a little bit irritating.

Mr. KENNEDY. Quite clearly, you hired an investigator, as I understand it from Mr. Danforth's testimony, to look into and investigate George Meany.

Mr. Danforth received from you certain rumors of a derogatory or unfavorable nature regarding Mr. George Meany, and that you were then going to use that information, develop that information to use it in the hope of stiffening George Meany's back in dealing with Walter Reuther.

Mr. RADDOCK. What is your question, Mr. Kennedy?

Mr. KENNEDY. I thought you were unclear as to what the facts were.

Mr. RADDOCK. I wrote that letter in what you just asked me in the form of a statement. It is clearly worded here.

Mr. KENNEDY. On the question of whether it is an improper or illegal act, I say it is an admission in the statement, and an admission by yourself of blackmail.

Mr. WALDMAN. You are leaving out every time the statement that precedes all of this that he was under the impression from Mr. Meany's acts that apparently Mr. Reuther and his allies must have had something derogatory about Mr. Meany which was not known to Mr. Raddock or the union whose policies the Trade Union Courier espouses. I think that puts an entirely different interpretation on it. You leave that out.

It is the preceding sentence about his belief, which was the background of his investigation, as his statement indicates, that apparently in the light of Mr. Meany's actions, he believed that there must be information current about Mr. Meany which was known to Mr. Reuther and his allies, and which explains certain action being taken and which was not known or confirmed to Mr. Raddock or the unions whose cause his paper espouses.

The CHAIRMAN. The Chair thinks that the relationship of this will simply go as a circumstance to indicate whether an effort was being made after these tactics had been revealed that Mr. Meany disapproved of, and learning of the use of the A. F. of L.-CIO in the soliciting of ads, and the implication that the A. F. of L.-CIO was back of this paper.

It is just a question of whether at that time the witness thought he might try to get something on Mr. Meany, as a matter of defense or as a matter of counteracting whatever Mr. Meany might say about his publication.

Other than that, I see no particular relation. Whether it is blackmail, whether he meant to use it in that fashion, or whether he simply meant to use it to probably deter Mr. Meany from making further unfavorable comments about his publication, I do not know.

Mr. WALDMAN. May I say, Senator—

The CHAIRMAN. Another question arises from the fact that there is no record of this expenditure, the payment to Mr. Danforth. I believe he said he told Mr. Danforth that other labor unions were interested in it.

Is that correct?

Mr. KENNEDY. That was my recollection. I know he told me that prior to the appearance.

Mr. WALDMAN. In the light of your first comment, the record of your committee indicates that there is a time lag of several years between Mr. Meany's criticism of the Courier and the hiring of Mr. Danforth. In other words, it isn't a question that Mr. Meany criticizes the Courier—

The CHAIRMAN. Well, all of these things the record reflects.

Mr. WALDMAN. There are many years that intervene.

The CHAIRMAN. I am not necessarily arguing at this time. It is a matter of making the record for whatever it shows.

Senator CURRIS. I have had an opportunity to read Mr. Danforth's testimony which occurred on June 6, and on page 340 there are a

number of things he said in here that are not in any great measure of contradiction with the witness.

Mr. DANFORTH. Well, it was a little confusing to me at first, because he indicated he was interested in the American Federation of Labor, and I thought he was a friend of George Meany's, but he said he wanted to see Meany stand up against Walter Reuther. Therefore, he wanted me to investigate Meany's background to see if there wasn't something that could be given to his group in the American Federation of Labor that might be used as he put it to stiffen Meany's backbone. It was against Walter Reuther whom he claimed intended to take over all the labor movement.

Now on page 342, Mr. Danforth said:

I didn't know whom he represented, and I couldn't very well carry on an investigation, an honest investigation without knowing whom he represented and what he wanted to use it for.

On the bottom of page 343, Mr. Danforth said:

He stated on several occasions that he did not like Beck. I asked him after I had done some little work for him if he knew Hoffa, and he stated that he knew practically everyone in the labor movement because he had been in it for some 29 years as a publisher, and he said that Hoffa was not a friend of his, indicating that he didn't know him well, but he did say however that he considered Hoffa the smartest labor leader in the country.

On page 348, Mr. Danforth said:

Well, it was impossible for me to continue an investigation and not know exactly whom he represented, and to obtain evidence on things or people unless I knew what it was to be used for and for what purpose.

In another place, on 350, he said:

Well, Mr. Raddock wanted me to go to Chicago. There was a labor meeting there and I left him at the airport and decided not to go to Chicago, because by that time I felt that I did not know whom he represented, and just what he was up to, and so I declined to go along further with the case.

Now, the reason I raised this point, I do not want to see this committee get into intrigue between the labor unions. Now, this question of private investigators may be overdone in the country, and I don't know, but still it goes on and apparently it is lawful. I recall we accepted here a memorandum of a staff member that went back some 32 years on a Chicago labor leader, where the basis of it was an investigation carried on by a Chicago newspaper, and interviews with the reporter that did his own investigation and reference to his original notes made at the time.

As I say, this matter of private investigations, and investigating people, may be overdone. I don't know.

Mr. KENNEDY. On the question of whom he represented, it is the next paragraph after that.

Senator CURTIS. Mr. Kennedy asked what did he indicate as to whom he represented in the matter, and would you relate to the committee.

He never told me whom he represented, other than the fact that it was people or it would be labor leaders in the American Federation of Labor, and he did not give me any names, and I had said I would meet them sometime or other but at this particular time I was supposed to be gathering information so that I could understand myself just what all of his labor trouble was about.

Mr. KENNEDY. Then there is an explanatory question there, which may or may not be helpful. It is the next question.

Senator CURTIS. I want to read it all:

Mr. KENNEDY. He was representing certain of the labor union officials, and you were to gather this information for him, and then did you understand him

to say he was then going to become the public relations man for these labor union officials?

Mr. DANFORTH. That was my understanding.

Now, in that connection, a Government official in recent months was subject to a rather intensive and very searching and almost suspicious investigation by a private investigator and it developed that the House of Representatives held a hearing on it and exposed the matter and completely exonerated the Government official. Later it developed that the investigator hired to do it was by a private business concern that had business with that particular Government agency and the Government agency related that they went to an investigating firm here in Washington who didn't take the work but recommended the person he had, and that agency is employed by the United States Government.

Well, it has no connection with this, and I merely cite it that this matter may be going too far, so far as the right of people to privacy is concerned. But I do not gather the connection between the employment of Mr. Danforth and this investigation of irregularities of labor unions that these transactions are charged, some of them which lead to Mr. Raddock's business enterprises.

The CHAIRMAN. The Chair will make this observation: I don't know, he certainly has the right to employ a private investigator to investigate anything he wanted to investigate. But we have found, of course, many instances where union funds were spent improperly, and since there was or appeared to be some issue here as between Mr Raddock and Mr Meany—and possibly Mr Reuther, I don't know—the question arises as to whether it would be proper to spend labor unions' money for such services.

Now, I say or you answer that by saying it was your money, although the implication in the testimony is here that you were representing some people. Whether they were labor union leaders or not, or labor unions, I don't know, but you said you would disclose that later and he would meet them some day, and he would probably find out what it was all about. I don't know whether the money came out of a union treasury or not, and if it did I think it was improperly spent.

Mr. RADDOCK. And I would agree with you.

The CHAIRMAN. It is one of those circumstances, and we have a number of them here that we are looking into. Is there anything further before we recess?

The committee will stand in recess until 2 o'clock.

Mr. DONOHUE. May I address the committee for a moment, please? As the Chair probably knows, because of my appearance before a session of this committee in executive session, I am counsel for Charles Johnson, Jr., who is on call to be here at 2 o'clock this afternoon. At 6 o'clock last night, while in my company at the Carlton Hotel, he suffered a heart attack. We called the hotel physician who sent a heart specialist to examine him. After the examination the local doctor called Mr. Johnson's doctor at his home in New Jersey.

Some 2 years ago he was hospitalized for a number of months for a serious heart attack. A cardiograph was taken about 11 o'clock last night. I have not yet had a report from Dr. Shulman who made the cardiograph, but I was advised by Mr. Johnson's doctor in New Jersey and I was advised last night by Irwin I. Yager, a heart specialist of this city, that subject to a reading of the cardiograph it was their

firm conviction that Mr. Johnson ought not to attempt to testify before this committee.

I expect to talk to the doctor during the recess.

The CHAIRMAN. Will you do that during the noon recess, and then let us know?

(Whereupon, at 12:40 p. m., the committee recessed, to reconvene at 2 p. m., the same day.)

#### AFTERNOON SESSION

(At the start of the hearing, the following members are present: Senators McClellan and Goldwater.)

The CHAIRMAN. The committee will come to order.

Come forward, Mr. Raddock.

All right, Mr. Kennedy, proceed.

#### TESTIMONY OF MAXWELL C. RADDOCK, ACCOMPANIED BY SEYMOUR WALDMAN, COUNSEL—Resumed

Mr. KENNEDY. I just have a few more questions, Mr. Chairman. I would like to have the witness identify this check.

The CHAIRMAN. Mr. Raddock, I hand you a photostatic copy of a check dated October 25, 1955, in the amount of \$1,750, drawn on the Amalgamated Meatcutters and Retail Food Stores Employees' Union of Greater New York, Local 342, apparently made payable to you. I ask you to examine this photostatic copy and see if you identify it.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

The CHAIRMAN. Do you identify the check?

Mr. RADDOCK. I see a check here made out to me. I believe the endorsement on the back of the check is my signature.

The CHAIRMAN. The check may be made exhibit No. 42.

(The document referred to was marked "Exhibit No. 42" for reference and will be found in the appendix on p. 12178.)

Mr. KENNEDY. This is a check dated October 25, 1955, for \$1,750. It is written on the Amalgamated Meatcutters and Retail Food Store Employees Union of Greater New York, Local 342. It is paid to the order of Maxwell C. Raddock. It would appear to have been cashed at the union headquarters. What did you do with that cash?

Mr. RADDOCK. I don't recall the check for that nor the receipt of it. If the union gave me any money for the Trade Union Courier, it would have gone into the Trade Union Courier.

Mr. KENNEDY. Do you remember receiving this check?

Mr. RADDOCK. No, I don't.

Mr. KENNEDY. Does the statement here on the side "Trade Union subscription for the Grand Union and Food Fair Stores" help your recollection?

Mr. RADDOCK. No, it does not.

Mr. KENNEDY. Do you remember cashing the check and receiving the \$1,750?

Mr. RADDOCK. I do not.

Mr. KENNEDY. Your books and records of the Trade Union Courier do not reflect that this money was ever received.

Mr. RADDOCK. That is a statement. I don't know what to answer to the statement. What is the question?

Mr. KENNEDY. You can make any comment on that, that you wish to.

Mr. RADDOCK. There is no comment that I can make. But in the event I received money from the Amalgamated Meatcutters Local 342 for the Trade Union Courier, it would have been deposited in the Trade Union Courier, or given to somebody in the Trade Union Courier for deposit.

Mr. KENNEDY. Do you state that that money was deposited in the account of the Trade Union Courier?

Mr. RADDOCK. I don't even recall receipt of this check, although I identify the endorsement on the back as mine.

(The witness conferred with his counsel.)

The CHAIRMAN. This says "additional Trade Union subscription for Grand Union and Food Fair Stores", that was in 1955.

Can you tell us what that transaction was about?

Mr. RADDOCK. I cannot. It is sometimes possible that a union will order extra copies in a particular organizing campaign. It is not customary for a union to make out the check to me personally.

The CHAIRMAN. If it is not customary and this was unusual, there could not be something about it that could help you to remember so that you could give us an explanation?

Mr. RADDOCK. Senator McClellan, I am sure that there would be nothing unusual—

The CHAIRMAN. Well, that is a general statement.

Mr. RADDOCK. There would be nothing unusual about anything.

The CHAIRMAN. Can you give us an explanation of it?

Mr. RADDOCK. There would be nothing unusual about any transaction that I would have had then with local 342. My association with—

The CHAIRMAN. You just said it would be unusual for them to give you this money, didn't you?

Mr. RADDOCK. No, I didn't say.

Mr. KENNEDY. It is payable to Maxwell C. Raddock.

The CHAIRMAN. It would be unusual for them to make a check payable to you and not to your company. Isn't that what you said?

Mr. RADDOCK. Unusual in the normal sense that instead it should be made out to the organization.

The CHAIRMAN. Well, it wasn't. It was made to you.

Mr. RADDOCK. I didn't make the check out, Senator.

The CHAIRMAN. As I understand, your records do not show the receipt of it.

Mr. KENNEDY. We can ask Mr. Dunne, Mr. Chairman, who has reviewed Mr. Raddock's records at the Trade Union Courier and also Mr. Raddock's personal income tax to see if that was declared.

#### TESTIMONY OF ROBERT E. DUNNE—Resumed

The CHAIRMAN. You have been previously sworn, Mr. Dunne?

Mr. DUNNE. Yes, sir, I have.

The CHAIRMAN. Did you make an effort to trace this check, the proceeds of it and ascertain to what account it was credited or if



there is any record of it in either Mr. Raddock's personal records, his income tax, or in any of his companies?

Mr. DUNNE. Yes, Senator, I checked the books and records of the Trade Union Courier, and there was no cash receipt of any similar amount at or about that time. Additionally, Trade Union Courier maintenance subscription records which list the number of subscriptions and the receipt of all moneys for subscriptions. There was no unusual activity at all at about this time to support this payment.

Mr. KENNEDY. So the payments did not go through the books and records of the Trade Union Courier?

Mr. DUNNE. It did not.

Mr. KENNEDY. Did Mr. Raddock declare it on his income tax?

Mr. DUNNE. No, he did not.

**TESTIMONY OF MAXWELL C. RADDOCK, ACCOMPANIED BY  
SEYMOUR WALDMAN, COUNSEL—Resumed**

The CHAIRMAN. Can you give us any explanation of it?

Mr. RADDOCK. Mr. Chairman, I wish I could give you a specific explanation regarding this check, but I assure you there was no unusual circumstance surrounding this check or any other check that I received from a union, and no union has ever given me money unjustifiably, unnecessarily, undeservedly, or our organizations or for any services rendered to the union.

Mr. WALDMAN. Mr. Chairman?

The CHAIRMAN. That is fine and very emphatic in generality. But we have a special instance here. It is not a small amount, not to me, at least. There is no record of it.

(At this point, Senator Curtis entered the hearing room.)

Mr. WALDMAN. Mr. Chairman, under your rules, I believe it is proper for the witness or his attorney to suggest that questions be put to another witness who has given testimony on the subject matter?

The CHAIRMAN. Yes, sir, you may submit a question.

Mr. WALDMAN. May I ask that Mr. Dunne be questioned as to whether at any time prior to this moment at these public hearings, either Mr. Raddock himself or any other employee of the Trade Union Courier had this particular check and this transaction called to his attention. Was he or she asked whether it was possible that cash might have been obtained and expended as cash for Trade Union Courier purposes at or about that time, obtained from that particular check?

The CHAIRMAN. Well, we are asking about it now. I have asked, and I think the record is already clear, if he found any trace of this money, either in Mr. Raddock's personal account or in any of his companies.

Mr. DUNNE. No, Senator, we didn't.

Mr. WALDMAN. My question goes beyond that, as to whether any explanation was sought, either from Mr. Raddock or from any of his employees who might be more familiar with the actual expenditures, as to whether the cash which was actually obtained from that check may or may not have been spent for Trade Union Courier purposes, business purposes, at or about that time.

Mr. DUNNE. An attempt was made to ascertain from local 342 the purpose of this check, and the books and records of local 342 don't

exactly support the check. The local's books reflect that the check was payable to Trade Union Courier for subscriptions. The check was drawn to Maxwell C. Raddock.

Mr. WALDMAN. I take it from that that no attempt was made to get it from the employees of the Courier.

The CHAIRMAN. While we want to get the truth, you have a record, a definitely authenticated record of some transaction, which you say in itself would be unusual for subscriptions for them not to make the check payable to your company instead of to you.

I think the burden of explanation is upon you.

Mr. WALDMAN. I only point out, Senator, that it would seem to me to be somewhat unfair to call this to the attention of the president of the company at this time for the first time, because the staff does have information as to the following facts:

First, that Mr. Raddock is not the principal disbursing officer of the funds of the corporation, but that other persons are; second, that the corporation was required to expend funds in its normal course of business in cash, because of its press credit position.

The CHAIRMAN. Well, that is a matter of argument. This check is not made to his company, it is made to him personally. It is endorsed by him. I don't know what the money was paid for. I don't know how he disbursed it.

The records give us no evidence of it. The only thing I could do would be to ask him about it.

I don't know, but I think if I received \$1,750 in a check within the last 2½ years, I think I would remember something about it.

Mr. WALDMAN. That is on the assumption he spent it personally, which he denies.

The CHAIRMAN. I don't know whether he spent it personally or not.

Let the witness testify.

That is what we are asking him questions about. If he can answer—maybe he needs time to look it up, I don't know.

I don't know anybody to ask but you, Mr. Raddock. You are the one that got the money, obviously, and no one knows better as to why you got it, how you got it, and what you did with it, than you do.

(At this point, Senator Goldwater withdrew from the hearing room.)

Mr. RADDOCK. May I make this observation, and then Mr. Waldman's questions to you, had an investigator of this committee at any time asked me about this check, I would have endeavored to ascertain precisely what sort of a transaction it was, and I would gladly give all the information here.

I repeat again, you said that I talk in generalities. I think I am being very specific. Any union transaction I have had has always been honorable. I have never dealt with a union official who I found dishonorable, and none of them give me union money fictitiously or unjustifiably, except for organizational services rendered.

In this instance of local 342, I give you my personal assurance under oath that there are no suspicious circumstances surrounding this check or any other item, and if I could be more specific, I assure you, Senator, I would be unhesitating in my remarks.

The CHAIRMAN. I know. You have had far more contacts with labor officials, as you refer to them, than we have, I am sure.

But, unfortunately, we have found many instances of circumstances like this where there were some shenanigans about them.

I think the record is replete with such instances. Therefore, we have this, and we are giving you an opportunity, if you know anything about it. If you don't, if you find out the truth, let us know what it is. That is all we want.

Mr. RADDOCK. I will, Senator.

The CHAIRMAN. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Briefly, your magazine, the Trade Union Courier that goes out now claims to have the endorsement of some 2,000 labor unions, A. F. of L.-CIO labor unions. That is not a fact; is it?

Mr. RADDOCK. To the best of my knowledge, Mr. Kennedy, the Trade Union Courier has endorsements from over 2,900 unions. In the Federal Trade Commission proceeding which was instigated against us——

Mr. KENNEDY. Is your answer that they do now have more than those?

Mr. RADDOCK. To the best of my knowledge, Mr. Kennedy, we received endorsements from over 2,900 A. F. of L. unions.

Mr. KENNEDY. Just answer the question. Do they now have more than 2,000 endorsements from A. F. of L.-CIO unions?

Mr. RADDOCK. To the best of my knowledge; yes.

Mr. KENNEDY. That is endorsements that you received a number of years ago. Don't you know that a number of those endorsements have been withdrawn?

Mr. RADDOCK. I don't know that endorsements were withdrawn that would make the number less than 2,000.

Mr. KENNEDY. Our records show that the most you would have, and the reason you even have this many is because of Charlie Johnson, is 417 endorsements; 346 of those come from Charlie Johnson.

Mr. RADDOCK. Mr. Chairman, with the utmost respect for Mr. Kennedy, there is no individual in the labor movement that has bestowed upon us any special brand or type of endorsement.

The endorsements obtained by the Trade Union Courier are in recognition of the Trade Union Courier's labors as a labor newspaper, championing the interests of the workers the union represents.

Mr. KENNEDY. Mr. Raddock, all I say is that you turned over your books and records indicating how many endorsements you have.

We checked the number of endorsements that you have, and you have 417. Your paper says that they have 2,000. That is, on the face of it, a fraud.

Mr. WALDMAN. Mr. Chairman, in the light of that statement, which is not a question, it seems only fair that that be answered.

Mr. KENNEDY. He can answer it. Let him answer it.

Mr. WALDMAN. He was not here, and I was here during the testimony.

The CHAIRMAN. Just one moment. The Chair will straighten this out. How many endorsements do you say you have now?

Mr. RADDOCK. It is my belief that the Trade Union Courier has in excess of 2,000 endorsements from A. F. of L. unions.

The CHAIRMAN. As of this time?

Mr. RADDOCK. As of this time.

The CHAIRMAN. And that would include any that had been withdrawn?

Mr. RADDOCK. It would not include any that had been withdrawn.

The CHAIRMAN. It would not include any that had been given and withdrawn?

Mr. RADDOCK. To my knowledge.

The CHAIRMAN. All right.

Now, you say that is according to the best of your belief.

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. When did you last check to ascertain how many?

Mr. RADDOCK. After the Federal Trade Commission proceeding, the last one—the first one—

The CHAIRMAN. I don't know any proceeding of the last time. Can you give me some date now?

Give it to me the best you can.

(The witness conferred with his counsel.)

Mr. RADDOCK. I can't give you the dates of the check, neither can I recall at this moment the date of the last Federal Trade Commission proceeding.

The CHAIRMAN. I don't have to have the exact day or month.

Mr. RADDOCK. A number of years ago, I would say perhaps 3, 4, or 5 years ago.

The CHAIRMAN. Some 3, 4, or 5 years ago you had some direct information about it at the time, and it was more than 2,000?

Mr. RADDOCK. First we had the official record checked by the Federal Trade Commission which showed, I think, 2,975 unions, and following that, there was some action taken by 1 or 2 labor leaders to compel or seduce some labor bodies to rescind an endorsement. I never received a formal notification of any withdrawals that would bring our endorsement number below 2,000.

Mr. KENNEDY. What was the word?

Mr. RADDOCK. Seduce.

The CHAIRMAN. Now I am a little confused. But on this representation, would your records show that you do have your records, the records you keep, they would show that you have more than 2,000 endorsements if properly examined?

Mr. RADDOCK. I believe so, Senator McClellan, if I personally—

The CHAIRMAN. The statement has been made here, and I want to ask the investigator about it, the statement has been made here that your records show only four hundred and some.

Mr. WALDMAN. That was not the statement or the testimony.

The CHAIRMAN. But lawyer, let him answer.

Is that statement in error, according to your best judgment and belief?

Mr. RADDOCK. Yes. According to my belief, Senator McClellan, that is absolutely in error.

The CHAIRMAN. And you think instead your records would reflect over 2,000?

Mr. RADDOCK. That is correct. If I personally had 2 weeks' time, I would bring in another 2,000 endorsements from A. F. of L. unions if the number is so important.

The CHAIRMAN. The number is not important except in that you advertise you represent them for the purpose of getting advertisements, and it has been pretty well demonstrated here.

There have been some very flagrant exaggerations with respect to the statements made in solicitations for advertisements.

The question is if you represent to the public that you have the endorsement of over 2,000 unions, and you only have the endorsement of, say four hundred and something, that is a misrepresentation.

In other words, that is one-third, or a little less than one-third, of the amount you represent you have the endorsement of.

So if your records are accurate, and they should reflect the truth, then your records would determine whether your guess is wrong, or whether this statement is wrong.

Mr. Raddock. Senator McClellan, once again I would like to make only this observation to you: If we only had 400 endorsements, I would gladly put down 400, and it is my opinion that with the American sales technique——

The CHAIRMAN. That is a statement that is a self-serving declaration and it is perfectly all right for you to make it. I am not condemning it.

But if you make that statement, and the records reflect that isn't true, you are in error.

Mr. Raddock. Right.

The CHAIRMAN. The best thing is to try to check the records.

Mr. Raddock. Senator McClellan, I assure you I will check the records and I will come up with 2,000 endorsements at least.

The CHAIRMAN. Who has checked the records?

Mr. KENNEDY. Mr. Dunne.

The CHAIRMAN. Mr. Dunne, have you checked the records with respect to these so-called endorsements of labor unions?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Do you have a list of them?

Mr. DUNNE. Yes, sir. It was introduced into this hearing about 3 weeks ago.

The CHAIRMAN. It has already been introduced into the record?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Have you made a compilation and ascertained the total number?

Mr. DUNNE. That is correct. Many of the unions which originally endorsed him have been rejected by the A. F. of L. because of corruption. Many have withdrawn. We have given Mr. Raddock credit in any case where we could not locate the union, or because of the limitations of time we couldn't contact them, and we gave him credit for those.

The maximum number he has is 417.

The CHAIRMAN. 417?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. What do you mean by that? Are they active endorsements?

How long ago were they given? Maybe in one year they would endorse, and 5 years later they would decide not to endorse it?

Mr. DUNNE. Anywhere from 1945 to 1952, prior to the Federal Trade Commission proceeding and prior to the action of George Meany to have these endorsements withdrawn in 1955.

The CHAIRMAN. You mean you have included all of those back there in 1945?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Up to 1950-something?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. And the total runs only 417?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. As of May 1958?

Mr. DUNNE. Yes, sir.

The CHAIRMAN. Do you find at any time in your examination that the endorsements ever equaled or exceeded 2,000?

Mr. DUNNE. Yes, sir. In 1952 at the time of the Federal Trade Commission proceeding, there were about 3,200 endorsements.

The CHAIRMAN. In 1952 he had about 3,200 endorsements. How do you ascertain that he only has the 417 now?

Mr. DUNNE. We checked with the various people who gave the endorsements and they informed us that they had withdrawn the endorsements, in those cases where the unions are still with the A. F. of L. in the case of the Teamsters, we struck them because they are no longer A. F. of L. unions. A great many of these are Teamster organizations.

The CHAIRMAN. The Teamsters were only expelled 2 or 3 months ago.

Mr. DUNNE. This is a list as of May 1958.

The CHAIRMAN. Do you understand clearly that we are talking about May 1958?

Mr. WALDMAN. May I ask that another question be put to Mr. Dunne?

The CHAIRMAN. Let me ask the witness.

Do you understand now, we are talking about May 1958, that you only have 417?

Mr. RADDOK. I understand that Mr. Dunne——

The CHAIRMAN. I mean according to his testimony.

Mr. RADDOK. According to his testimony, his calculations would indicate 417, but I doubt that these calculations represent the true figure.

Re the endorsements bestowed on the Trade Union Courier, which, by the way, Senator, we don't seek to reconfirm each year, because of a regular, going relationship with the union. As I suggested before, if I may put it in proper perspective, it isn't important to me as editor of the Trade Union Courier to display 2,000 or 417.

If it were 417, I would be glad to put down 417, and I am sure that as a selling point an American businessman would not be specially impressed by 2,000 rather than 417.

Mr. WALDMAN. Senator, may I ask that the question be put to Mr. Dunne?

He apparently compiled his list of the change in endorsements from 3,200 to alleged four hundred-odd by going to the unions and asking them. Did he obtain any official notification that was communicated in writing to the Trade Union Courier that would account for that much of a decrease?

In other words, it doesn't mean very much if a union tells Mr. Dunne "we withdrew" if the Trade Union Courier was never officially informed in proper form of any such rescission.

The CHAIRMAN. What did you ascertain about that, Mr. Dunne, that they had notified them or had not?

Mr. DUNNE. We attempted to get this information from the Trade Union Courier and they informed us that they had given us all of the letters of endorsement in the files they turned over to us. We examined their files narrowly and found none. We have come upon

and received from some of these unions that have withdrawn copies of notification sent to the Courier. Those were not received by us in the papers we subpoenaed from the Courier. In some cases they informed us that they had withdrawn, but we don't have copies of the notification given to the Trade Union Courier.

But in any event, as of 1958, only 417 unions presently endorse it. Those facts are all detailed in the mimeographed statement which we gave out during the early part of this hearing.

The CHAIRMAN. Has the witness had a copy of this statement?

Mr. DUNNE. I believe his counsel received a copy.

The CHAIRMAN. Have you checked it for accuracy?

Mr. WALDMAN. We have no way of checking the rescissions. We will accept Mr. Dunne's statement that in and around 1952, 3,200 is the correct figure. But in terms of rescissions, we have no way of knowing because you have all of our files of correspondence. We have been unable to locate any other files of either endorsements or rescissions, and we have not gone to each of the individual unions, as Mr. Dunne states that he has, and sought to find out at this time.

One other factor here which was pointed out, I think, at your earlier hearings, Senator, is that these files have been unavailable to the Courier generally during the bulk of the time that the Teamsters and other unions have been expelled, so we have no way of finding out how many of these original endorsements come from Teamsters or other expelled unions. We will be able to, we hope, when our records are in order again.

The CHAIRMAN. All right. Proceed.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I would like to ask Mr. Dunne: How many of these endorsements or claimed endorsements were stricken from your list because they were from Teamsters or other unions that were expelled from the A. F. of L.?

Mr. DUNNE. There is an item of 221 from the Atlantic Coast Conference of Teamsters. That was an organization that was just in existence for a very short time in the late 1940's. Johnny O'Rourke was the head of it.

I could go through these. Then there are some from the Central States Conference of Teamsters.

Senator CURTIS. I am interested in the number.

Mr. DUNNE. I would say less than 400.

Senator CURTIS. And those you did not contact to see whether they had rescinded or not?

Mr. DUNNE. No; we did not.

Senator CURTIS. Then there were some you didn't contact because you couldn't locate them, is that right?

Mr. DUNNE. Yes. But in that case we assumed that they were valid existing endorsements and are included in the 417.

Senator CURTIS. Of the 3,200 claimed endorsements, how many of those unions did you contact?

Mr. DUNNE. Actually what we did, Senator, is contact the person or the organization which made the endorsement. In the case of 346 claimed unions, that was an endorsement by an individual, by Charles Johnson, Jr. We contacted his organization and ascertained that the

endorsement was still valid. Therefore, we assumed that that embraced the 346 unions in his group of unions in the Carpenters.

Senator CURTIS. How did you handle the other unions? Did you contact the union that was supposed to have given the endorsements?

Mr. DUNNE. That is right, Senator.

The CHAIRMAN. What did they do, just claim they had withdrawn it?

Mr. DUNNE. That is right, Senator. All of the facts, as I say, are detailed union by union, or council by council. Many of these were multiple endorsements. There was one from the Meat Cutters International which embraced 550 unions. We have correspondence whereby the president of the Meat Cutters International informed George Meany that he had withdrawn his endorsement in 1955.

Senator CURTIS. Did you find any evidence of them notifying the Courier that they had withdrawn?

Mr. DUNNE. In some cases we found out that the Courier was notified, and in other cases we don't have evidence that the Courier was notified, but we have statements of the officials either to us or to the AFL that they had withdrawn.

In 1955, the AFL wrote letters to any of these people who had given these endorsements and asked whether it was a valid existing endorsement, and the unions wrote back that they had withdrawn.

Senator CURTIS. That is where you got the information?

Mr. DUNNE. Some of it, Senator, and some by our own inquiries of the unions involved.

Senator CURTIS. Some of this information came from AFL headquarters?

Mr. DUNNE. That is right.

Senator CURTIS. How many unions involved came from that source?

Mr. DUNNE. I can't give you an answer to that immediately, Senator.

Mr. KENNEDY. Mr. Raddock, I am going to ask you about this book. The Portrait of an American Labor Leader: William H. Hutcheson.

On January 8, 1954, you received \$25,000, is that right? Originally, prior to the time of making this arrangement with Mr. Hutcheson, had you discussed the matter with Mr. Charley Johnson?

Mr. RADDOCK. I never made an arrangement with Mr. Hutcheson, I never made an arrangement with Mr. Charles Johnson.

Mr. KENNEDY. You what?

Mr. RADDOCK. I never made an arrangement with Mr. Hutcheson, nor did I make an arrangement with Mr. Charles Johnson.

Mr. KENNEDY. Did you discuss the matter with Mr. Charley Johnson prior to the time you first received the \$25,000 on January 8, 1954?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. You never discussed it with him?

Mr. RADDOCK. I never discussed with him anything pertaining to \$25,000.

Mr. KENNEDY. Did you discuss the writing of the book with Mr. Charles Johnson?

Mr. RADDOCK. I interviewed him as I did other members of the United Brotherhood of Carpenters executive board.



Mr. KENNEDY. Mr. Raddock, did you discuss writing the book with Mr. Charley Johnson prior to the time you got the \$25,000?

Mr. RADDOCK. I wouldn't remember specifically whether I talked to him any more than I did to other board members.

Mr. KENNEDY. Did you talk to others, then? Can't you answer the question? Did you talk to them? Is the question "yes" or "no, I don't remember." Answer the question.

Mr. RADDOCK. I prefer not to use the term "no, I don't recall." I want to answer you as correctly as possible.

Mr. KENNEDY. I have asked the question eight times and you haven't answered it yet.

Mr. RADDOCK. Please forgive me. If you will ask me the question in the proper context so I can answer it, I will be glad to.

The CHAIRMAN. Did you discuss this matter of writing the book with Mr. Johnson before you got the \$25,000?

Mr. RADDOCK. Senator McClellan, I don't recall such a discussion.

Mr. KENNEDY. You were supposed to have 6,000 copies of that book available by November 1954, isn't that right? You were supposed to write and publish the book and furnish 6,000 copies by November of 1954?

Mr. RADDOCK. I was to endeavor to write a book and complete it by 1954, and when I did to furnish the union with 6,000 copies.

Mr. KENNEDY. The answer to that is "yes," isn't it, Mr. Raddock?

Mr. RADDOCK. I prefer, Mr. Kennedy, to enlighten you in the interests of brevity, too.

Mr. KENNEDY. You didn't enlighten me a bit. I asked you a question and all you had to do was say "yes." On May 18, 1954, you received another \$25,000 for additional research, is that right?

Mr. RADDOCK. That is correct.

Mr. KENNEDY. Was that after arrangements with Mr. Charley Johnson?

Mr. RADDOCK. Definitely not.

Mr. KENNEDY. Was that after arrangements with Mr. Hutcheson?

Mr. RADDOCK. It was after arrangements with the general executive board of the United Brotherhood of Carpenters and Joiners of America.

Mr. KENNEDY. They are not members of the general executive board, are they?

Mr. RADDOCK. They are.

Mr. KENNEDY. They are two of the individuals you would discuss the matter with.

Mr. RADDOCK. I would normally conduct my negotiations with the executive boards in its entirety.

Mr. KENNEDY. But those are two of the individuals?

Mr. RADDOCK. That is correct.

Mr. KENNEDY. You didn't produce the book by November of 1954, did you?

Mr. RADDOCK. I didn't finish writing the book. The initial project called for a biography of William L. Hutcheson. While in the process of doing my research, I was asked to develop a history of the United Brotherhood of Carpenters which altered the entire situation considerably.

Mr. KENNEDY. By whom?

Mr. RADDOCK. Mr. Albert E. Fisher, the late general secretary, who was charged by a convention action following Mr. Frank Duffy's passing, to complete such a history. He asked me personally to please help him complete a history so that he could faithfully discharge his obligations to the membership of the brotherhood, per convention decision.

Mr. KENNEDY. So you were working on this book during 1954 but were not able to get it finished by November 1954?

Mr. RADDOCK. I didn't finish the book until——

Mr. KENNEDY. Will you listen to my questions and then answer them, Mr. Raddock?

Mr. RADDOCK. Yes, sir, Mr. Kennedy.

Mr. KENNEDY. You were working on the book for the year 1954 but were unable to finish it by the end of 1954?

Mr. RADDOCK. Correct.

Mr. KENNEDY. Then in January 1955, January 31, 1955, you received another \$50,000, is that right?

Mr. RADDOCK. I don't recall. If that is what your records show, the answer is yes.

Mr. KENNEDY. Then on February 14, 1955, you received another \$50,000. By this time you had received \$150,000, is that right?

Mr. RADDOCK. If that is what your records show, that is what I received.

Mr. KENNEDY. Now, you were only to receive another \$100,000 if you produced 50,000 books, and can you explain to the committee how you were able to receive the third installment, the third payment of \$50,000 on March 31, 1955?

Mr. RADDOCK. What is that?

Mr. KENNEDY. On March 31, you got the third installment of \$50,000.

Mr. RADDOCK. I did not hear your question in its entirety, and I am sorry.

Mr. KENNEDY. Under the agreement that you had made on February 14, 1955, you were to receive \$200,000 for 50,000 books. You were to receive \$100,000 as a prepayment, and the second \$100,000 was to be paid after you had delivered the 50,000 books and a list.

Now, despite that, you did receive a third installment of \$50,000 on March 31, 1955, despite the fact that you still had produced no books. Could you explain to the committee how that happened?

Mr. RADDOCK. Not only "despite I hadn't produced the books," but that I also had not completed the book, but I had requested the money from the board of the United Brotherhood of Carpenters on account of the fact that I did want them to complete the entire payment for the order as soon as I had the book completed.

Mr. KENNEDY. Now, the reason you wanted the money was to pay your own personal debts, and the debts of some of your other companies, wasn't that true?

Mr. RADDOCK. May I say this: I did not pay my personal debts with any money but my money. All of the moneys, including the research moneys, went into the organizations.

Mr. KENNEDY. Which was——

Mr. RADDOCK. Undoubtedly, we utilized those moneys in the interest of the organizations, and I was discharging my obligations to the Brotherhood of Carpenters.

Mr. KENNEDY. It had nothing to do at all with this book, and you were reserving money from the Carpenters for the book and you were not using it for that purpose, because you had not printed any books as of that time.

Mr. RADDOCK. As to whether I used that particular money or any other money, I was going to use money to produce the book or the bulk book order of the Brotherhood.

Mr. KENNEDY. Why did you take the \$50,000 then, when you had not produced any books? By that time you had already received \$150,000 from the Carpenters. Why did you take the third installment of \$50,000?

Mr. RADDOCK. The fact that you label it a third installment or that the fact reveals I received a third payment, I would have wanted all of the money as soon as possible because it is in the interest of my organization to be able to operate in as healthy a fashion as possible.

Mr. KENNEDY. But didn't you feel that you had some obligation to the Carpenters, and then going on to November 30, 1955—

Mr. WALDMAN. May the witness be permitted to answer that?

The CHAIRMAN. Did you feel you had any obligation to the Carpenters?

Mr. RADDOCK. Not only do I feel that I had, but I shall always feel part and parcel of the Brotherhood of Carpenters, and never for once would I ever waver in that loyalty to the Brotherhood of Carpenters on a financial front, moral front, or otherwise.

Mr. KENNEDY. Did you tell the Carpenters that you needed this money in order to pay the debts of the Trade Union Courier and the Worldwide Press?

Mr. RADDOCK. No, not ever precisely in that way, but I did ask for the money and tried to get it as soon as possible.

Mr. KENNEDY. Whom did you ask for the money?

Mr. RADDOCK. The Brotherhood of Carpenters.

Mr. KENNEDY. And you discussed this with Mr. Hutcheson?

Mr. RADDOCK. With the board.

Mr. KENNEDY. You discussed it with Mr. Hutcheson, did you not?

Mr. RADDOCK. I do not believe I ever talked to Mr. Hutcheson personally on any issue pertaining to finances.

Mr. KENNEDY. Did you discuss it with Mr. Charlie Johnson in New York?

Mr. RADDOCK. I don't believe that I ever talked to Mr. Charlie Johnson in New York regarding the finances.

Mr. KENNEDY. You were in touch with Mr. Charlie Johnson in New York, very frequently, were you not?

Mr. RADDOCK. I am still in touch with Mr. Charles Johnson in New York and wherever else I contact him. He is an old friend and a dear friend and a labor leader with whom I am glad to stay in contact, but that does not imply by the farthest stretch of the imagination that I did not promptly and directly answer your question.

Mr. KENNEDY. Then, you did discuss it with Mr. Charlie Johnson?

Mr. RADDOCK. With the general executive board.

Mr. KENNEDY. Did you discuss it with Mr. Charlie Johnson?

Mr. RADDOCK. In the same context of your previous question, that Mr. Johnson is a member of the board, the answer is yes. Personally, no.

Mr. KENNEDY. Well, you were talking to him on the telephone continuously, were you not, Mr. Raddock?

Mr. RADDOCK. Continuously?

Mr. KENNEDY. Yes.

Mr. RADDOCK. I use telephone calls to contact and communicate with everybody I have to.

Mr. KENNEDY. Mr. Johnson was one of those that you talked to?

Mr. RADDOCK. I am positive that in my line of work I contacted Mr. Johnson.

Mr. KENNEDY. According to his records, his own records, his diary, you were calling him at least 3 or 4 times every month, calling him once a week.

Mr. RADDOCK. I presume that I call him at least that.

Mr. KENNEDY. And you never discussed that with him on the telephone?

Mr. RADDOCK. I am pretty certain that I did not.

Mr. KENNEDY. Now, just to go back on this check of January 8, 1954, for \$25,000, on January 6, 1954, there is a notation here, in Mr. Johnson's diary:

Mr. Raddock called; did not receive any mail from Mr. Hutchinson today.

Didn't that refer to the \$25,000?

Mr. RADDOCK. I am pretty certain that it does not in any way refer to any finances, and regarding any such notation by him, I think he is the only one who can best answer it. I did not ask Mr. Charles Johnson personally for any finances of any kind nor discuss it with him.

The CHAIRMAN. The real question is, were you calling him on the telephone for the purpose of getting advance payments on this book?

Mr. RADDOCK. To the best of my knowledge, Senator McClellan, I did not call Charles Johnson or any other individual board member for any payments.

The CHAIRMAN. Did you appear before the board?

Mr. RADDOCK. Yes, I did.

The CHAIRMAN. In session?

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. Did you talk to any members of the board about it before appearing before them in session?

Mr. RADDOCK. I can't recall that.

The CHAIRMAN. Did you talk to Mr. Johnson about it before the board met?

Mr. RADDOCK. I don't recall such a conversation.

The CHAIRMAN. Did you talk to Mr. Hutcheson about it before the board met?

Mr. RADDOCK. Not precisely.

The CHAIRMAN. Precisely what?

Mr. RADDOCK. I did not talk to Mr. Hutcheson precisely on the subject of finances.

The CHAIRMAN. Did you talk to any other member of the board before the meeting regarding these advances or these advance payments?

Mr. RADDOCK. I don't recall ever talking to an individual member of the board concerning any of the moneys due me.

The CHAIRMAN. I am talking about this money, regarding this money that you were getting in advance of your contract, of performing the contract.

Mr. RADDOCK. I did not talk to any individual member.

The CHAIRMAN. Now, have we settled it so we are not going to have any doubt about it in the future? All of the talking you did about getting this money was when the board was in session and you were there present?

Mr. RADDOCK. That is my—

The CHAIRMAN. You did not talk to other individual members of the board about it?

Mr. RADDOCK. I don't believe so, unless the board assigned a committee to talk to me, but never to individuals, to the best of my recollection. Somebody would call me on the phone and ask me something, and I can't think of anyone having discussed it with me, but it is very possible that a board member would walk off on the side and ask, "What about this?" or "What about that?" but I do not recall any such conversation.

The CHAIRMAN. Now, if I get it clear, you do not recall having talked to individual members of the board, any of them, about needing this advance financing.

Mr. RADDOCK. That is the best answer I can give, according to my recollection.

The CHAIRMAN. Am I understanding you correctly? That is all I want.

Mr. RADDOCK. Yes.

The CHAIRMAN. All right; proceed.

Mr. KENNEDY. On November 31, 1955, you received another \$50,000, and by that time you had only produced 5,000 books.

The CHAIRMAN. What does that total by that time?

Mr. KENNEDY. Isn't that right, Mr. Raddock? That is \$250,000, Mr. Chairman, and 5,000 books.

The CHAIRMAN. Is that correct, Mr. Raddock?

Mr. RADDOCK. If that is what the records show.

The CHAIRMAN. Up to the time you had received a total of \$250,000, on November 31, 1955, you had only produced 5,000 books; is that correct?

Mr. RADDOCK. I don't know whether it was November or December of 1955.

The CHAIRMAN. Do you want to put it in December, and let us not quibble?

Mr. RADDOCK. I believe so, and I think it was in December.

The CHAIRMAN. All right, then, the record shows November, but you say by December you had produced only 5,000 books, and you had received \$250,000.

Mr. RADDOCK. I believe that is correct, sir.

Mr. KENNEDY. Then on February 24, 1956, you received another \$50,000 for printing an additional 10,000 books at \$5 a copy. What is the explanation for that, Mr. Raddock, why you had not met your commitment on these first books?

Mr. RADDOCK. I would not label it that way, Mr. Kennedy. If the question is, Why did I not produce more books than 5,000 by any date, that is another question?

The question as to why I received \$50,000 in February 1956, if that is the correct date, I was under the impression it was about March. Then I sold the Brotherhood on the idea of expanding the size of their gift list.

I did not fix it at 10,000 books, as you suggest, but I was asked to produce the book at the cheapest rate possible, and I was to go back and consider how I could produce a cheaper book to get the widest possible coverage.

Mr. KENNEDY. Mr. Raddock, why didn't you just meet your commitment to print the books you were supposed to print?

The CHAIRMAN. Let me ask a question here.

He had delivered or produced 5,000 books, up to the time he got \$250,000. Under the contract, how many was he supposed to produce?

Mr. KENNEDY. 56,000 books.

The CHAIRMAN. Now, he was in default 51,000 books; is that correct?

Mr. KENNEDY. That is correct.

The CHAIRMAN. At that time?

Mr. RADDOCK. Is that question asked of me, Senator?

The CHAIRMAN. According to this testimony here, in the record, you had received \$250,000 for which you were to have delivered, produced and delivered, 56,000 books. Now you come along and make another deal whereby you are to produce 10,000 books at a cost of \$5 per book while you were in default on your original contract by 51,000 books; is that correct?

Mr. RADDOCK. That is not correct.

The CHAIRMAN. Now you correct it.

Mr. RADDOCK. No. 1, I was not supposed to deliver 56,000 books nor did I sell the Brotherhood 10,000 additional books at \$5.

No. 2, my assignment consisted of the following: I was to produce 6,000 books to go to affiliated unions of the Brotherhood of Carpenters, to top officers, I believe, 1 or 2, the president and secretary of affiliated international unions.

The CHAIRMAN. Let me ask you this, and I want to get it straight: How many books were you under contract to produce for the \$250,000?

Mr. RADDOCK. Finally, I was to produce——

The CHAIRMAN. Well, let us answer the question.

Mr. KENNEDY. As of November 1955, or December of 1955.

The CHAIRMAN. As of either November or December of 1955, what was your contract and how many books were you to produce? You had gotten \$250,000. How many books were you supposed to produce for that money?

Mr. RADDOCK. For the \$250,000 I was obligated to produce and to have delivered to my own sources, 56,000 books.

The CHAIRMAN. That is correct, as of February 1956, on the basis of the \$250,000 and the 56,000 books, how many books had you produced up to that time?

Mr. RADDOCK. Would you kindly repeat the dates, Senator?

The CHAIRMAN. Very well. As of February 1956 you make a contract for another number of books. Prior to that time you had a contract and had been paid \$250,000 to deliver 56,000 books, or produce 56,000 books.

As of the time you made this additional contract, in February of 1956, how many of the 56,000 books under the previous contract had you actually produced?

Mr. RADDOCK. I do not know precisely how many copies were completed by February.

The CHAIRMAN. Our record shows, as I understand it, it is 5,000 books.

Mr. KENNEDY. That is correct.

The CHAIRMAN. Now, is that true, that you had only produced 5,000 books or 5,000 copies up to February of 1956?

Mr. RADDOCK. Of course, you realize, Senator—

The CHAIRMAN. I do not realize, but had you produced 5,000 copies or more?

Mr. RADDOCK. That is what Chief Counsel Kennedy says, that I had produced 5,000 books.

The CHAIRMAN. What do you say?

Mr. RADDOCK. I said before, I do not recall the precise date of the second time.

The CHAIRMAN. Do you say the statement of 5,000 of what you produced up to that time was wrong?

Mr. RADDOCK. No, I do not say it, if your records show that 5,000.

The CHAIRMAN. They are your records.

Mr. RADDOCK. I have not the records; you people have the records.

The CHAIRMAN. Do you dispute that as being your own records?

Mr. RADDOCK. Not at all, and I would not dispute a thing that the record shows.

The CHAIRMAN. That would make you 51,000 books in default as of February of 1956, would it not?

Mr. RADDOCK. No, sir.

The CHAIRMAN. You were not in default?

Mr. RADDOCK. Not at all, and the word "default" is a wrong label to the entire transaction.

The CHAIRMAN. Well, your first contract was to produce that many books, 5,000 or 6,000 books by November of 1954.

Mr. RADDOCK. My contract was not to produce books.

The CHAIRMAN. What were you to do by 1954, then?

Mr. RADDOCK. Senator, I will be glad to answer you, if you want the answer in detail, and I will be glad to give it to you.

The CHAIRMAN. I am trying to get in a little more simple form.

Mr. RADDOCK. I am trying to be as simple as I can, and if you will afford me the opportunity—

The CHAIRMAN. You have succeeded in confusing no one but yourself so far as I am concerned.

Mr. RADDOCK. I do not really feel confused, Senator.

The CHAIRMAN. I am asking you a simple question here. You got \$250,000, and for that you were to produce these books. As of February of 1956 you had produced only 5,000 books.

Mr. RADDOCK. These are the statements of fact, Senator, which you do not want me to dispute, because they are correct.

The CHAIRMAN. I want you to dispute them if they are incorrect.

Mr. RADDOCK. I said before, Senator, I said that whatever your records show to be correct, I certainly agree.

The CHAIRMAN. Well, assume the records are correct, and if they are you are in default 51,000 books.

Mr. RADDOCK. No. I again repeat now, Are you willing now to let me explain it in detail? You want me to answer the term "default" and I say "No, I was not in default."

The CHAIRMAN. If it is not default, what is it?

Mr. RADDOCK. With your kind permission, Senator, I will try to explain to you.

The CHAIRMAN. You have my kind permission.

Mr. RADDOCK. Thank you very much. You are the typical gentleman from Arkansas.

The CHAIRMAN. Well, thank you. I hope that reflects credit upon all Arkansas citizens.

Mr. RADDOCK. I feel that way.

The CHAIRMAN. We think we are pretty good people down there.

Mr. RADDOCK. That is right.

The CHAIRMAN. We agree on that, then.

Mr. RADDOCK. Yes.

The CHAIRMAN. Proceed.

Mr. RADDOCK. The Carpenters Union charged me and privileged me by authorizing me to do a biography history of the United Brotherhood of Carpenters and Joiners of America. I was not asked to produce 56,000 books, as if that is a dozen cases of salmon. I was asked to write a creative history of 75 years of the life of a great economic organization. That is one aspect of the obligation.

The other obligation was finally to deliver or have delivered 56,000 books for \$250,000 and approximately 16,000 books, I believe, for the other \$50,000, and on another occasion 2,000 books which we had delivered to individual people, for which the union supplied a list.

The first job we performed, Senator, was the following: We sent out the book to the affiliated unions of the Brotherhood of Carpenters. We sent out several hundred review copies to leading reviewers throughout the Nation, and following that, we had a second printing of the book, from which we supplied the union with the 2,000 copies, and filled some other orders of copies that had been missent. Later on, as soon as I was freed from my obligations to the Brotherhood of Carpenters for the entire year of 1956, I completed the shipment of all of the books for which the Brotherhood of Carpenters paid me.

It was never their intent, I am sure, nor would I ever undertake to glut the American academic institutions with 56,000 books at one time. That has never been done, and should not be done, and it is the most unwise distribution. The distribution was left to me.

If the point is that I was paid in advance, let us say that I effectively convinced the union to pay me for the services and to entrust me to perform to the hilt all of my obligations, and I have done so in my opinion, eloquently, as immodest as it may sound.

The CHAIRMAN. You have done it eloquently and have not been in default?

Mr. RADDOCK. Senator McClellan, I gave you my word that I have not been in default in the sense that the term infers. I was not in default.

If you want to discuss the method of distribution and how scientific it was, and whether it achieved the best results, I am perfectly willing to go into it.

(At this point, the following members were present: Senators McClellan and Curtis.)

The CHAIRMAN. Well, I wouldn't want to insist that you take that much time. The point is, and it is very simple, as I see it, unless



you have some better explanation than you have given, that you got \$250,000 over a period beginning in early 1954, and by February 1956, you had received \$250,000——

Mr. KENNEDY. \$300,000 by that time, by February 1956; yes.

The CHAIRMAN. He got another \$50,000?

Mr. KENNEDY. Yes.

The CHAIRMAN. You got \$300,000 by February 1956, and you had actually produced 5,000 books.

Mr. RADDOCK. Yes, sir, Senator.

The CHAIRMAN. We agree on that?

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. But you say you were not in default?

Mr. RADDOCK. Positively.

The CHAIRMAN. That is the only matter at issue.

Mr. RADDOCK. Senator McClellan, that is absolutely correct.

The CHAIRMAN. Although you had been paid for 56,000 books, you had delivered 5,000. Then we will say, if you don't want to use the word "default," we will say that you still owed 51,000 books that you had not produced?

Mr. RADDOCK. That is correct.

The CHAIRMAN. Then you go make another contract for an additional 2,000 books for \$10,000. How quick were you to produce those?

Mr. RADDOCK. Those books, as I previously stated, were sent out upon receipt of an order. Those books were not part of the total order for institutions throughout the United States.

The CHAIRMAN. Somebody has poor management or something here. I just can't understand. The union had 51,000 volumes of the books due from you they already paid for. Why they are going to make another contract for 2,000 more when they could not get the 51,000 kind of leaves it fuzzy, don't you think?

Mr. RADDOCK. Senator McClellan, once before I told you in executive session. You had written me in a letter and you asked me two pointed questions and I answered them as pointedly as you put them.

If you ask me that question now, and it is a good one, the answer is that those 2,000 books were not part of my distribution. Those books were individual orders received by the Brotherhood of Carpenters for the book. The 56,000 books, plus the \$50,000 order in February or March 1956, were intended for the institutions for which I supplied the list to you, Senator, per your request.

The CHAIRMAN. If you had delivered the 51,000 they would not need 2,000 more to supply them.

Mr. RADDOCK. No, that is not correct, Senator. Those 2,000 books, I repeat again I have the list, and I gave a copy of the list to your committee, those 2,000 names were to individual members and unions.

They were not part of my shipment. My books, the 56,000 plus the other order of about 16, were for the list that I supplied to you, which includes a cross section of all the educational institutions and the best mediums for contacting Americans that I could possibly adduce.

The CHAIRMAN. We are down to February 26. Some things you agree to and some things are still in the state of absolute confusion. Let's proceed from February 26.

Mr. KENNEDY. Then we have, Mr. Chairman, 3,100 more books printed in March 1956; in January of 1957—isn't that correct, Mr. Raddock? I don't want to say it if it is not correct?

Mr. RADDOCK. I don't think you would.

Mr. KENNEDY. It is correct, then?

Mr. RADDOCK. I don't know about the January.

Mr. KENNEDY. March 1956, you produced another 3,100 books?

Mr. RADDOCK. I believe that is your figure. I thought it was 4,300. You said 32.

Mr. KENNEDY. 3,200. Then January 9, 1957, you received another \$10,000 for 2,000 more books.

Mr. RADDOCK. Those books I referred to before.

Mr. KENNEDY. And you were then charging the union \$5 a copy for those books?

Mr. RADDOCK. On that order to individual members or locals the charge was \$5 for 2,000 books, because the only agreement I had with the Brotherhood was on bulk book orders above 10,000 to give them a lower rate.

Mr. KENNEDY. Then why didn't you produce the books you were supposed to produce up to the time you took the \$10,000?

Why didn't you produce them?

Mr. RADDOCK. Just a moment, Mr. Kennedy. In the year 1956—now, let's remember that the book was completed——

Mr. KENNEDY. Mr. Raddock, listen to my question. You were in default for books, you had taken a large sum of money from the Carpenters, and then you proceeded on January 9, 1957, to take another \$10,000 from the Carpenters to produce some more books.

I am asking you if you had any interest in the Carpenters at all why you took that extra \$10,000.

Mr. RADDOCK. I don't know whether I am to answer you on my interest re the Carpenters, or whether you want the question answered as I did before on the 2,000 books that did not come within the scope of the bulk book orders for which we charged under \$4, overall, or whether you want to know whether or not I was doing anything that would contravene my own loyalty and fealty to the Brotherhood of Carpenters.

The answer is, Mr. Kennedy, that following the publication of the book in December 1955, following that, the Brotherhood of Carpenters asked me to take on another duty that kept me busy from February 1956, 1 month later, and I assure you it was an exhausting labor, the writing of the book.

I took on an assignment from February 1956, through March 1957, work like I never was asked to perform that was literally exhausting, and I did not have the chance, the time, nor the abilities to come to grips with the other distribution problem. But the Brotherhood of Carpenters, in my opinion, profited thereby to the tune, perhaps, of \$7,500 to \$10,000 in that individual sales made by us to academic institutions automatically come off their gift list.

They, in turn, actually are able to send their book to more institutions than they originally expected.

The CHAIRMAN. Let me ask you, Mr. Raddock, this question: You had completed writing the book before November 1955, had you?

Mr. RADDOCK. I believe the book was completed in about the third week of November 1955, if my memory serves me correctly.

The CHAIRMAN. That is the first publication of it?

Mr. RADDOCK. Not the first publication. The completion of the manuscript. I believe the actual arrival of books must have been

either the end of November or 2 or so days before the A. F. of L.-CIO merger convention.

I think it was December 5. Or the very day.

The CHAIRMAN. Let me see. You got it completed at least so you could have it published by November 1955, is that correct?

Mr. RADDOCK. I tried to get it done as speedily as possible.

The CHAIRMAN. I don't care what you tried to do. What you succeeded to do is what I am talking about.

Mr. RADDOCK. I believe it was late November or December.

The CHAIRMAN. Let's split the difference.

Mr. RADDOCK. I believe the release date was February 12, Lincoln's birthday.

The CHAIRMAN. All right. Now we have Lincoln in it. The point I am trying to make is that it occurs to me once you have the type for the book set up and was publishing it, actually printing it, I don't know what other work you had to do after that except run the printing presses to get out the book.

Mr. RADDOCK. I wouldn't have done——

The CHAIRMAN. You said you got all busy and couldn't do anything, you worked yourself sick or something.

Mr. RADDOCK. That is very possible, Senator.

The CHAIRMAN. During that period of time you didn't actually turn the press and run out the book yourself. You had all of the work done. You had the book prepared. You already had it published. You certainly had the plates.

What was there to do that you could not have done and would not have normally done and did have done in your plant all the time to get out the books?

I don't care what you were doing. You may have been writing another thesis or something. You may have been writing ads for a convention or something else yourself.

Mr. RADDOCK. I don't do that, Senator, in case you are interested.

The CHAIRMAN. The point I am making is that you had everything necessary to produce the book. You had produced it. The same things that produced it once produced it again with a little more patience and a little more work.

What was it that delayed you in getting the book out?

You had the money. You had it paid for.

Mr. RADDOCK. Again, Senator, I don't want to bore you or irritate you, but this involved the wisest possible distribution of 56,000 books, plus 16.

The CHAIRMAN. Is that your best explanation?

Mr. RADDOCK. Senator, permit me, please, to finish.

I am a little bit tuckered out by now.

The CHAIRMAN. I am, too.

Mr. RADDOCK. Believe you me, with utmost concern for you, plus myself, I would like to dispense with it. But the answer is, clearly, that I had an obligation to distribute 56,000 plus, I think, 16,000, hard covered books. I had supplied to the Brotherhood of Carpenters originally a list, I believe, of 256,000 sources that I had hoped they would cover via the distribution.

It was then my job to see to it that a selective distribution is handled as speedily as I could. It was my intention and hope to do it as

wisely as possible within the shortest time, perhaps during late or the middle of 1956 and thereafter.

But as I say, Senator, the Carpenters asked me to take on another duty which kept me away from performing that aspect of the job, the handling of a selective distribution of the book, and I could not give it my personal attention.

Again I—

The CHAIRMAN. What about publishing the book after you had written it, after you had had the plates made, the type set up, and the book published?

What was it about finishing the production of it that required your encouragement and consistent attention?

Mr. RADDOCK. Originally I had supplied to the Carpenters a list of 256,000 names. It was now down to sixty-some thousand.

The CHAIRMAN. All right. You had that.

Mr. RADDOCK. Furthermore, Senator, I am sure, as an articulate gentleman, you know that after a book is reviewed there are orders forthcoming from academic institutions. I wanted to wait to see the responses from the academic institutions so that saving would be effected and we would not have to duplicate a gift copy to the same sources.

The CHAIRMAN. Was the book ever rewritten?

Mr. RADDOCK. It was revised somewhat later, very slightly.

The CHAIRMAN. When?

Mr. RADDOCK. When?

The CHAIRMAN. Yes.

Mr. RADDOCK. I believe toward 1957.

The CHAIRMAN. You say very slightly?

Mr. RADDOCK. Very, very, very slightly.

The CHAIRMAN. Very, very, all right.

I think a couple of lines.

Mr. RADDOCK. A couple of lines. That is very slightly.

Mr. KENNEDY. The fact is you never intended to produce this book until the committee began its investigation; is that correct?

Mr. RADDOCK. Mr. Kennedy, that is so far from the truth that it should not even be ventured by you.

Mr. KENNEDY. Isn't it true that you had spent all the money the Carpenters paid you by the time the committee started its investigation, and in order to produce these books you had to go out and borrow money?

Mr. RADDOCK. No.

Mr. KENNEDY. Didn't you borrow money in January and February of 1958?

Mr. RADDOCK. I may be borrowing money every month, every day, every year. To answer your question, without you casting any aspersions on my reputation or character—

Mr. KENNEDY. The facts speak for themselves.

Mr. RADDOCK. Let's say that the facts speak very well for all of us. But on this particular subject of your question, in 1957, May or June of 1957, when I was released by the Brotherhood of Carpenters, we published 10,000 books and began shipping again; stopped in the middle of the summer and resumed again toward Christmas, because the school system opens in September and we wanted to give

them a chance to get going before we would send out gift copies of a valuable book priced either at \$3.50, \$4, or \$5.

Mr. KENNEDY. Yes, that is fine. Now, in February of 1958, Mr. Raddock, didn't you borrow some \$10,000 from the New York Savings Bank, from your bookkeeper?

Mr. RADDOCK. I didn't borrow any money from my bookkeeper.

Mr. KENNEDY. Did you get any money from Mr. Tom Wang?

Mr. RADDOCK. I later found out that Mr. Tom Wang advanced money personally to our organization.

Mr. KENNEDY. How much was that?

Mr. RADDOCK. I don't know.

Mr. KENNEDY. The record shows some \$10,000, in February 1958.

Mr. RADDOCK. If the record shows it and we still owe it to him, I am sure he will be paid as soon as we can pay him.

Mr. KENNEDY. In the same month, didn't you borrow money on your insurance money?

Mr. RADDOCK. The same man borrowed money on my insurance policy in the interest of the organization.

Mr. KENNEDY. How much was that?

Mr. RADDOCK. I think it was in the neighborhood of \$17,000 or \$18,000.

Mr. KENNEDY. So that was \$17,312.27. That made a total of \$27,312.27, that you borrowed in February 1958. From whom did you receive orders for the books you printed in February 1958?

Mr. RADDOCK. I don't know.

Mr. KENNEDY. Well, the books were ordered by World Wide Press from American Book Stratford, in January and February of 1958, and American Book Stratford; is that correct?

Mr. RADDOCK. If your records show that, that is correct.

Mr. KENNEDY. That bill, according to the records we have, to pay for those books, was \$28,988.08.

Mr. RADDOCK. Yes.

Mr. KENNEDY. So you borrowed \$27,312.27 and paid out for the books at that same period of time some \$28,988.08.

Mr. RADDOCK. Is that a statement or a question? Are you asking me a question?

Mr. KENNEDY. You make any statement about it that you want to. Isn't it a fact that you used all the money that the Carpenters paid you during this period of time to pay for the World Wide Press, to pay for your other debts, that you were all used up?

We began our investigation and you had to go ahead and borrow money in order to print this book, and you never would have printed it if our investigation had not begun.

Mr. RADDOCK. Again, Mr. Kennedy, with the highest possible regard for the prestige of this committee on which you serve as general counsel, we would have completed and I would have completed any obligation I have, because I did not really require you to come into my life in order for me to fulfill an obligation. I say that with the utmost respect for you and everyone else.

In addition, another fact, Mr. Kennedy, please do not slur over, as my statement says, the fact that in May or June 1957 we perhaps didn't borrow money or we did borrow money; I don't know.

Maybe we were just loaded with money, but we produced 10,000

books, which you again fail to mention, and that is a half year before your committee came to existence or into our life.

The CHAIRMAN. Let's see, Mr. Raddock. You delivered these last books in 1958, didn't you?

Mr. RADDOCK. The last books? Senator McClellan, I answered you at the time that you wrote me the letter, I answered you factually.

The CHAIRMAN. Can't you answer me "Yes" or "No"?

Mr. RADDOCK. I don't know, really.

The CHAIRMAN. Didn't you borrow this money and order \$28,000 worth of books this year?

Mr. RADDOCK. No, sir.

The CHAIRMAN. What are the dates of those borrowings?

Mr. KENNEDY. The borrowings started on February 10, 1958, and went through February 24, 1958.

The CHAIRMAN. When were the books delivered?

Mr. KENNEDY. February of 1958.

The CHAIRMAN. At the time the books were delivered, or about the time they were delivered, the money was borrowed?

Mr. KENNEDY. That is correct.

The CHAIRMAN. Did you use this money to pay for the books?

Mr. RADDOCK. The answer to that, Senator, is that Mr. Kennedy only told you half of the story, that we did not print all the books outside. We were printing books in our plant, just as I told you. I believe it was in November and December of 1957, Senator, plus another order on the outside.

The CHAIRMAN. Well, did you have about \$28,000 worth printed outside?

Mr. RADDOCK. I wouldn't know, Senator.

The CHAIRMAN. This is all recent. This is just a few months ago. This is June, and back to February is 4 months ago at the outside. Do you mean to tell me you don't know whether you borrowed money to pay for these books that you had made outside of your plant?

Mr. RADDOCK. I did answer. Mr. Kennedy asked whether \$17,000 or \$18,000 was borrowed on my insurance for the company. I didn't say for books.

The CHAIRMAN. And another \$10,000 was borrowed.

Mr. RADDOCK. Was loaned by a conscientious employee of our organization, for whatever purpose he chose to lend it. As to whether it was for books, or all the books or other bills, I can't say, Senator.

The CHAIRMAN. Well, at any rate, to pay for \$28,000 worth of books, you ordered outside of your plant, to fulfill your contract, you borrowed twenty-seven thousand and some hundred dollars?

Mr. RADDOCK. I can't say that we borrowed \$27,000 to pay for \$28,000 worth of books. I would say that we printed books on the outside and we paid for them.

If it totaled \$28,000—

The CHAIRMAN. Let's put it this way: In order to pay for the books, you didn't have the money—

Mr. RADDOCK. I wouldn't be ashamed of saying to you, Senator McClellan, that I do or don't have money. I want to answer you frankly. I don't know whether the money was borrowed for the books. We were printing books in November—

The CHAIRMAN. Let's take it the other way. It wasn't borrowed for the books. But in order to pay for the books out of the money you had to met your other obligations, you had to borrow \$27,000.

Mr. RADDOCK. Very possible, Senator.

The CHAIRMAN. Either way, it adds up to the same.

Mr. RADDOCK. We always may be borrowing money. In American business institutions, people are borrowing and lending and that is why we have banks and lending institutions.

The CHAIRMAN. You had received up to that time how much?

Mr. KENNEDY. Some \$310,000.

The CHAIRMAN. \$310,000?

Mr. KENNEDY. And these books printed outside were all cloth-bound books, 40,000 clothbound books needed to fulfill the contract.

This money, this \$28,988.08 was used to pay for those books.

Mr. RADDOCK. May I say that not all the clothbound books were printed outside. I think 10,000 or 20,000 were printed by us. The binding may have been done outside.

Mr. KENNEDY. By American Book Stratford. This was to pay for the books.

Mr. RADDOCK. And that we printed an additional thirty or so thousand books in addition to those 10,000 or 20,000 ourselves, from about July 1957 until now.

Mr. KENNEDY. Did you write this book, Mr. Raddock?

Mr. RADDOCK. It bears my title.

Mr. KENNEDY. That is not the question.

Did you write the book?

Mr. WALDMAN. If we are leaving the other subject, may I ask that the staff be asked another question on this subject, namely whether or not their investigation did not disclose from the records that 100,000 covers of the book were printed some time in 1955, or 1956 at the plant or elsewhere?

The CHAIRMAN. Mr. Raddock, you may testify to that.

Mr. RADDOCK. Yes, Senator McClellan, we printed, I believe, 100,000 or 150,000 book jackets, because it was our original intent to handle not only the shipment for the brotherhood's orders, but to handle a general sale of the book, as for any other book.

But I didn't have the time even to do that.

The CHAIRMAN. Why would you print the jacket before you got the book?

Mr. RADDOCK. In preparation. In other words, the jacket is a separate print, a four-color printing job unto itself.

The CHAIRMAN. When were the jackets printed?

Mr. RADDOCK. I believe in 1955.

The CHAIRMAN. In 1955. You didn't get the book finished up until 1958, 3 years. You had the jackets that far in advance. I don't know about the printing business. Maybe you get the jackets first. Other printers will know. I don't know. I would think, though, you would be sure you would get the book before you got the jackets.

Mr. RADDOCK. Or get the jackets ready for the books. Either/or.

Mr. KENNEDY. Mr. Chairman, just before I ask him about this other matter, I would like to ask Mr. Wolfe and Mr. Diebel to sit over here.

They traced through the \$310,000 to determine how it was used.

**TESTIMONY OF CHARLES E. WOLFE AND KARL DEIBEL—Resumed**

The CHAIRMAN. You have both been sworn in this particular series of hearings and have testified publicly. Proceed, Mr. Kennedy.

First, state your names for the record, again.

Mr. DEIBEL. My name is Karl Deibel. I hold a CPA certificate in the District of Columbia. I am assigned to the St. Louis office of the United States General Accounting Office.

Mr. WOLFE. Charles E. Wolfe, investigator from the General Accounting Office, assigned to this committee.

Mr. KENNEDY. Mr. Wolfe, you are familiar with the books and records of Mr. Raddock's companies?

Mr. WOLFE. Yes, sir.

Mr. KENNEDY. You specifically traced the money that came to Mr. Raddock out of the Carpenters to pay for the book, The Portrait of an American Labor Leader?

Mr. WOLFE. Yes, sir.

Mr. KENNEDY. Were you able to trace as to how the money was used during this period of time?

Mr. WOLFE. What we did was to compare—Mr. Diebel will testify to the \$10,000 received in March 1957.

Mr. DEIBEL. We have a summary here.

Mr. WOLFE. Maybe Mr. Deibel can give the summary.

Mr. DEIBEL. We have a summary of the expenditure of \$300,000 during the period of January 1954 through July of 1956. It shows that there were some \$28,000 used to pay for expenses connected with the book.

The CHAIRMAN. How much?

Mr. DEIBEL. \$28,000.

The CHAIRMAN. \$28,000 out of the \$300,000 was used for the expenses of the book?

Mr. DEIBEL. That is correct, sir.

The CHAIRMAN. All right.

Mr. DEIBEL. There was an additional \$167,000 which was used to reduce the indebtedness of the World Wide Press.

The CHAIRMAN. How much?

Mr. DEIBEL. \$167,000.

This consisted of payments on notes for plant machinery, reduction of debenture bonds, payments on mortgages and reduction on liability for delinquent Federal withholding and social-security taxes.

The CHAIRMAN. Do you mean out of the \$300,000, now, you account for \$28,000 of it that you trace toward the carrying out of the contract for the book?

Mr. DEIBEL. That is correct, Mr. Chairman.

The CHAIRMAN. All right. And \$167,000 went to the payment of other obligations of the company?

Mr. DEIBEL. Of indebtedness.

The CHAIRMAN. Well, that would be an obligation.

Mr. DEIBEL. Right.

The CHAIRMAN. Indebtedness of the company.

Mr. DEIBEL. In addition, there was \$81,000 which was used to pay the operating expenses of World Wide Press during the same period.

The CHAIRMAN. \$81,000?

Mr. DEIBEL. That is correct.



The CHAIRMAN. All right.

Mr. DEIBEL. In a subsequent period, from July of 1956 through February of 1957, Mr. Raddock reduced the indebtedness of World Wide Press by another \$85,000. So, in effect, this \$81,000, by using it to pay his current obligations, he was able to reduce his indebtedness by another \$85,000.

In addition, we found he withdrew from his personal account some \$20,000, of which \$6,000 was drawn to cash and indorsed to the Black Angus Restaurant. Another \$12,000 were cash withdrawals which were cashed at banks and hotels.

This totals up to some \$296,000.

The CHAIRMAN. As you analyze his records, that accounts for \$296,000 out of the \$300,000?

Mr. DEIBEL. Out of the \$300,000. We also determined that the bank balances of his personal account and of the organizations which he controlled increased \$3,800 in this period. So we have accounted for the entire \$300,000.

The CHAIRMAN. All except 200.

Mr. DEIBEL. Yes.

Senator CURTIS. May I ask a question?

The CHAIRMAN. Yes.

Senator CURTIS. You referred to a figure of \$28,000 spent producing the book. What was the figure?

Mr. DEIBEL. That was \$28,000 we were able to identify as expenses incurred and paid by Mr. Raddock's organizations related to the Hutcheson book.

Senator CURTIS. What expenditures constitute that \$28,000?

Mr. DEIBEL. That included some \$4,000 to Mr. Riesel, Victor Riesel, approximately \$11,000 for the salary of Mr. Irving Gracher, who was doing work on the book; \$8,500 to Stahley Thompson for the plates, printing, and binding of the book; another \$1,000 to Internal Revenue, related to the salary of the people there who were working on the book, and \$500 to Lorraine Gratz, who was doing some research and indexing relating to the book.

Senator CURTIS. Did any of that involve printing in his own plant?

Mr. DEIBEL. Printing was done at Stahley Thompson. No, sir.

Senator CURTIS. None of the books were published in his own plant?

Mr. DEIBEL. None of the expenses that we were able to identify. Let me make this comment. Mr. Raddock's organizations have no cost accounting system or any way that you can relate specific expenses outside of examining invoices from outside firms or examining the checks and any notations on the checks.

It is totally impossible to try and ascertain a cost of work that is done within Mr. Raddock's World Wide Press.

Senator CURTIS. Do you know whether any of them were printed, either in whole or in part in his plant?

Mr. DEIBEL. I believe he has printed some, but I cannot testify on the figures.

Senator CURTIS. Can you trace anything in that \$28,000 covering that?

Mr. DEIBEL. Not covering that printing; no, sir.

Senator CURTIS. There would be expense on that, payroll and machinery expense.

Mr. DEIBEL. Well, we have the expenses of Mr. Graeber, who was engaged in the writing of this book. This is only up until July 1956. At that time, there were only 8,100 books produced.

Senator CURTIS. Were any of those 8,100 books printed in whole or in part in Mr. Raddock's plant?

Mr. DEIBEL. I believe Mr. Tierney is more qualified to testify on that point, Senator.

Mr. TIERNEY. Some of these books were, Senator.

Senator CURTIS. How many of them?

Mr. TIERNEY. We know that 10,000 of the insides of the hardbound covered books were printed in Mr. Raddock's plant.

Senator CURTIS. 10,000 of what?

Mr. TIERNEY. The hardbound or clothbound books as distinguished from the paper back books and some 29,000 paper back books were printed in Mr. Raddock's plant.

Senator CURTIS. Prior to this date?

Mr. TIERNEY. No, all afterwards, all subsequent to this date.

That all took place beginning in the latter part of November 1957.

The CHAIRMAN. What you are doing is accounting for the money up to July 1956?

Mr. DEIBEL. That is correct. We are accounting for the receipt of the \$300,000 which was received between January 1954 and March of 1956. We have determined that by July of 1956 he had used the \$300,000, \$28,000 which we could identify with the book, but the remaining \$272,000 was used for other purposes.

The CHAIRMAN. Do I understand there had been a total of 8,100 books printed up to that time, up to July 1956?

Mr. DEIBEL. That is correct, Mr. Chairman.

The CHAIRMAN. All right. Assuming you take the \$28,000 that you identify, and then add to it, say, \$5 the cost of printing each book, you would have \$40,000, you would have a total of around \$68,000 that actually went into the book, if you make that generous allowance for the cost of printing?

Mr. DEIBEL. If you make the allowance. We have included in that \$28,000, \$8,000 which he paid to Stahley Thompson for printing at least 5,000 of these books.

The CHAIRMAN. He got 5,000 of them printed for \$8,000?

Mr. DEIBEL. That is correct.

The CHAIRMAN. That is according to your records.

Senator CURTIS. Is that 5,000 the only books that were published during this period you are talking about?

Mr. DEIBEL. There was 8,100 at this time, Senator.

Senator CURTIS. Where were the other 3,100 printed?

Mr. DEIBEL. They were also printed at Stahley Thompson.

Senator CURTIS. But paid at a later time?

Mr. DEIBEL. Paid at a later time, to the best of my knowledge.

Mr. TIERNEY. The 8,100 books were purchased and printed through Stahley Thompson, 5,000 in November 1955 and 3,100 in March 1956, which would be prior to the terminating date of this analysis.

Senator CURTIS. What is the terminating date of this analysis?

Mr. DEIBEL. This period terminates July 1956.

Senator CURTIS. Wasn't there any work done in Mr. Raddock's plant on this book prior to July 1956 other than what is represented in that \$28,000?

Mr. DEIBEL. There no doubt was work, but as I previously stated we are unable, from the records supplied by Mr. Raddock, to determine any specific cost figures related to it.

Senator CURTIS. What would be the nature of that work?

Mr. DEIBEL. Presumably the making of type, or the making of plates. There might have been some traveling expenses during this period, some research, which we have not taken care of.

We are unable to——

Senator CURTIS. How about copyrighters, proof writers, and stenographers?

Mr. DEIBEL. I think Mr. Raddock would be much more qualified to answer that. We were unable to trace specific amounts.

Senator CURTIS. In other words, your statement that by July 1956 some \$28,000 was spent on this book is all that you can trace, and one of the factors in that statement is the deficiency in the accounting system followed at Mr. Raddock's plants?

Mr. DEIBEL. That is true, Senator.

Senator CURTIS. But you do not contend that there is no evidence that there was other work done?

Mr. DEIBEL. That is correct.

Senator CURTIS. What was the payment to Mr. Riesel for?

Mr. DEIBEL. That payment was for research and editorial work.

Senator CURTIS. Do you have any further description of it?

Mr. WOLFE. No, that is all we have. We got that off the canceled checks, the notation on the canceled checks.

Senator CURTIS. But you know it was research and editorial work on this particular book?

Mr. WOLFE. It was identified as such, yes, sir.

Senator CURTIS. By whom?

Mr. WOLFE. On the canceled checks relating to the Hutcheson book.

Senator CURTIS. On the check Mr. Riesel got or upon the stubs?

Mr. WOLFE. On the check Mr. Riesel got.

Senator CURTIS. That is all.

The CHAIRMAN. Is there anything further of these witnesses?

All of that money, except the profit, whatever the profit was, if that had been spent on the books up to that time, the \$300,000, you have no way of accounting for it?

Mr. DEIBEL. That is correct, sir.

The CHAIRMAN. But you do account for during that period of time the reduction in his indebtedness of \$167,000?

Mr. DEIBEL. That is correct.

The CHAIRMAN. And the payment of operating expenses of \$81,000?

Mr. DEIBEL. That is correct, sir.

Mr. KENNEDY. We made an investigation of the book and Mr. Riesel's name has come into it. It is a common and ordinary practice in a procedure such as this where payments will be to other people, where newspapermen and otherwise are making this kind of arrangement in their operation.

The CHAIRMAN. All right. Proceed.

## TESTIMONY OF MAXWELL RADDOCK—Resumed

Mr. KENNEDY. Mr. Raddock, there were a number of checks drawn to cash in 1954 over a period of about 6 months, some \$12,550 drawn to cash. For instance, on May 11, 1954, the \$1,250, a check drawn to cash. Can you tell us what you did with that?

Mr. RADDOCK. What I did with it?

Mr. KENNEDY. Yes. You cashed the check.

Mr. RADDOCK. Personally?

Mr. KENNEDY. Yes.

Mr. RADDOCK. If I did it, I utilized the money for my expenses.

Mr. KENNEDY. And then on June 8, 1954, \$5,000 in cash.

Mr. RADDOCK. If I took money personally, I often endorsed checks to cash.

Mr. KENNEDY. These are cash withdrawals by you?

Mr. RADDOCK. I wouldn't know whether it was cash withdrawals by me. In our organization I sign all checks in blank and any week I may be away on payday, and I can sign as many as a hundred checks for 2 or 3 weeks.

If I endorse the checks sometimes, if it made out for a large sum, the bank insists on having my signature. It does not necessarily mean that I receive the money.

Whatever the books would indicate, that would be the fact.

Mr. KENNEDY. During this period of May 1954, to November 1954, there were checks drawn to cash and withdrawals in cash by you totaling some \$20,000. Could you tell us what you did with all of that cash?

Mr. RADDOCK. I certainly cannot.

Mr. KENNEDY. That is from May of 1954, shortly after this book began, May of 1954, to November of 1954, a total of \$20,000.

That is checks drawn to cash amounting to \$6,650, and cash withdrawals amounting to \$12,550, and another check for \$800, making a total of \$20,000.

The CHAIRMAN. There was about \$20,000 in a period of 5 months.

Mr. RADDOCK. May I chew a piece of gum? My throat is parched and I have a sore throat.

The answer to that question is, if I received the money, Mr. Kennedy, personally, then it went for expenses. I am pretty certain that during the years 1954, 1955, and 1956, I spent considerable money for expenses. I am sure that I bought at least \$7,000 or \$8,000 worth of books during 1954 and 1955.

I am sure I and staff did traveling to the tune of perhaps \$15,000. These are all, of course, random figures in addition to which we worked nights and we worked weekends, and there was a host of bills, all of which were taken care of by cash which I personally obtained or "loaned to the organization," since all of my money for research and otherwise went into the organization proper and I received none of it myself.

Mr. KENNEDY. These were unusual withdrawals to cash, and they were during this particular period of time. There were regular withdrawals of cash which we did not include and then these were unusual and I wanted to ask you about them.

Did you actually write this book, Mr. Raddock?

Mr. RADDOCK. Personally and solely, except for the excellent aid I received from my colleagues and researchers.

The CHAIRMAN. I did not get that last answer quite clearly.

Mr. RADDOCK. I wrote the book personally and solely except for the fact, or except for the excellent aid, I believe I said, I received from my colleagues and researchers on the staff, plus some others who are not directly part of my staff, but work elsewhere in the literary world.

Mr. KENNEDY. Did these other people to whom you refer, your staff, did they do much of the book?

Mr. RADDOCK. Most literary people delight in the knowledge and comfort that they had a great participating share. Far be it from me to deny it to them, any more than your own brother denied it to Mr. Sorenson.

Mr. KENNEDY. If we will just stick to the answers to the questions, it would be a great help.

Did they play a major role in writing the book?

Mr. RADDOCK. They played a vital role, and a crucial role, and an important role.

Mr. KENNEDY. Was a lot of this written actually by these people to whom you refer?

Mr. RADDOCK. I would say not, and I would say that these are the fruits of my labors, plus the aid of about half a dozen persons who contributed to the final product.

Mr. KENNEDY. Were these researchers working for you?

Mr. RADDOCK. Yes, sir.

Mr. KENNEDY. Who were some of those people?

Mr. RADDOCK. Dr. Irving Graeber was the chief researcher.

Mr. KENNEDY. Dr. Graeber?

Mr. RADDOCK. Yes, sir.

Mr. KENNEDY. Did he actually do the writing of the book?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. You wrote the book?

Mr. RADDOCK. I personally, by my lonesome, little ol' me, wrote the book, and I gave proper and due recognition to all of those who asked and sought recognition. There were some who did not want any recognition for their contribution in this work, not because it lacked a literary quality, that is for the sake of the press, but only because they work on other newspapers or elsewhere and prefer not to identify themselves.

Mr. KENNEDY. I am trying to find out who actually wrote some of the book, and you say Dr. Graeber wrote some of the book?

Mr. RADDOCK. I thought I answered the question, Mr. Kennedy.

Mr. KENNEDY. You wrote the book? What is the answer?

Mr. RADDOCK. The answer is, I wrote the book, at the outset, four times since, and I would repeat it again as Senator McClellan says, no matter how many times you would ask me.

Mr. KENNEDY. I was looking it over, and I was interested in the literary style.

Mr. RADDOCK. Is that also the purview of this committee, to discuss literary quality?

Mr. KENNEDY. I just want to ask you about some of this. Do you have a copy of the book there?

Would you give Mr. Raddock a copy of the book, please?

(A document was handed to the witness.)

Mr. KENNEDY. On page 68—I am not going to read the whole book through.

Mr. RADDOCK. I wish you would, Mr. Kennedy, and perhaps it might lead you in some noble directions.

Mr. KENNEDY. Thank you.

Now, it says down here at the bottom of page 68:

To make laws and adjustments in conformity with new needs in a changing industry, or amend the union's constitutional procedure, was one thing. But to compel obedience on the proud, powerful, and parochial district councils was another. These local unions and the district council clearly wanted both: To eat their cake and have it too; to gain all the benefits of a large national union, the Brotherhood, but not to subordinate themselves to its procedures, or surrender an ounce of their freedom of action; to help pass laws giving the chief officer authority over local affairs, but to raise an enormous clatter when he enforced them. And no group of carpenters needed taming more than did the New York locals.

Then you go to the New York City part. Did you write all of that?

Mr. RADDOCK. First of all, may I say that I enjoyed it, and I enjoy your reading, Mr. Kennedy.

Mr. KENNEDY. Thank you.

Mr. RADDOCK. Your diction is excellent.

And I do not remember precisely whether I wrote every single word, but I wrote that paragraph.

Mr. KENNEDY. Did you?

Mr. RADDOCK. Yes, sir.

Mr. KENNEDY. Let us go over to page 72:

In the spring of 1916, building was looking up, and the New York Carpenters wanted a raise more than ever. Secretary Elbridge Neal of the New York District Council appeared before the general executive board and requested permission to turn out on May 1, 1916, if necessary, to gain a 50-cents-per-day increase in 4 of the boroughs and 60-cents-a-day advance in Manhattan. After a long session, the board gave reluctant consent and agreed to give financial aid—

and then it goes on.

Did you write that, too?

Mr. RADDOCK. I wrote the entire book, Mr. Kennedy, and insofar as the particular paragraphs that you singled out, they are a reconstruction of other paragraphs written by leftist authors and Communist authors who pelted rightwing labor leaders throughout the 1930's.

This is my reconstruction of happenings during that period after a thorough investigation of all of the facts through interviews and otherwise.

Mr. KENNEDY. That is all your writing? You wrote it, is that right?

Mr. RADDOCK. Mr. Kennedy, again my answer to you is, I wrote the entire book and as to whether or not any similar thoughts are expressed by other writers, and there were many writers during the 1930's who dealt with that particular subject, as a matter of fact, you can't find one book written by a leftist writer during the 1930's that did not deal with that particular incident, but dealt with it critically.

Mr. KENNEDY. On page 100—do you have that? Do you want to follow me here?

Carpenters were recruited by individual contractors through newspaper advertisements. After traveling many miles, they often found no jobs awaiting them, or were refused jobs because of their union membership.

Did you want to say something?

Mr. RADDOCK. I, personally; no. I am listening to you.

Mr. KENNEDY (continuing):

Men who were lured to a distant locality by the promise of high wages often found wages to be lower than in their own districts. In some instances, large numbers of skilled carpenters answered the Government's call only to find that there was no work awaiting them.

Then it goes on, and that is you, too, I guess.

Mr. RADDOCK. Is it me, too? Do you recognize my style? To the best of my recollection, every word in that paragraph is mine, and with the aid of researchers who helped me with the book.

Mr. KENNEDY. On page 204—

Mr. RADDOCK. May I also say that nobody has a monopoly on any words, in the English language, and neither on a thought, and neither on a sentence or paragraph structure. As I also said, this thought has been played with and dabbled with by most of the leftist writers of that era, but my interpretation of those particular situations, I am sure, is accurate, and properly portrays the responsible attitude of the Brotherhood of Carpenters in dealing with those collective bargaining institutions and trade-union situations.

Mr. KENNEDY. And I take it, it is your own language, is it?

Mr. RADDOCK. I have no monopoly on the English language.

Mr. KENNEDY. But you would not take someone else's material and copy it?

Mr. RADDOCK. In a measure, I would. If you want to accuse me of plagiarism, let us say this: That I have not read a single book that contains total originality from beginning to end, and there isn't a single new thought in this entire world that is not derived from God and the Bible.

Mr. KENNEDY. But, Mr. Raddock, so I understand, you would then take somebody else's words and copy them word for word, would you?

Mr. RADDOCK. If it is good, I would borrow the thought, just like Jack Benny may borrow from Bing Crosby or somebody else.

Mr. KENNEDY. Would you make a little notation that you had copied it down?

Mr. RADDOCK. Make a notation?

Mr. KENNEDY. Yes.

Mr. RADDOCK. I would give due credit whenever the situation responsible calls for it.

Mr. KENNEDY. When you copied someone else's work, or took someone else's work, you would give them credit, would you not?

Mr. RADDOCK. Whenever it requires I would, unless my researchers might have been irresponsible in a situation and did not properly convey the facts.

Mr. KENNEDY. On page 204, it says down here in the middle, talking about the fight that occurred between John L. Lewis and Mr. Hutcheson:

The blow Lewis landed on Hutcheson's jaw was timed with the careful precision of a choreographer pirouetting his dancing partner on stage.

Is that you, Mr. Raddock?

Mr. RADDOCK. I am not exactly a dancer, but I would say that that is my phraseology. As to whether I borrowed the expression, perhaps I did, and if you want to know——

Mr. KENNEDY. How much of this book did you borrow, do you think, Mr. Raddock?

Mr. RADDOCK. Mr. Kennedy, because you are the perfect gentleman and come from such a fine, aristocratic family, I don't think that is called for. I assure you, I wrote the book with the aid of the men who received proper and due credit, and if you are now becoming a stylist in the English language, and you want to go into discussions of literary quality, and my responsibility re the book, I do not think actually, that Mr. McClellan feels that literary content of this book comes within the purview of this committee and I would like to call it to his attention.

The CHAIRMAN. The question is a question of jurisdiction. Here is a book that has cost these folks \$300,000. According to the information I have and it may be developed here, a great deal of this book was just copied from other books.

That is why you are being questioned about it. There is no secret about it.

Mr. RADDOCK. May I say that I do not think anyone ever took account of how many sentences were borrowed by any writers in a scholarly work, or certainly not in the history of a movement, be it a labor movement or any other kind.

The CHAIRMAN. I understand that.

Mr. RADDOCK. I think Mr. Kennedy is going a little bit too far afield.

The CHAIRMAN. Just a moment.

Mr. RADDOCK. I am sorry, I didn't hear you, Senator McClellan.

The CHAIRMAN. I am sure that one may very well in writing a book, quote from some other author, but they usually, I think, out of deference to and respect for the other author, put it in quotations or make some note that so and so wrote at a certain time this or that, and adopt it or disagree with it and argue about it.

But to just take another book and have paragraphs and quotations from it without so indicating, would look a little bit as if someone else may have actually written most of the book or a great deal of it.

Mr. WALDMAN. On the jurisdictional issue, it seems to me you have raised a question perhaps under the copyright laws which I do not think are within the committee.

The CHAIRMAN. I am not interested in that. He has copyrighted the book and I do not challenge that. The question here is whether the union members have been defrauded.

Mr. WALDMAN. Therefore, it would seem to me that trying to find an isolated instance which leads to 4 sentences in 400 pages——

The CHAIRMAN. We are not through, and be patient. Give us a little time.

Go ahead.

Mr. KENNEDY. I think that they paid about \$750 a page for this, so even if you come up with a page that is wholly somebody else's, it is worth a great deal of money.

Mr. WALDMAN. All for the writing, Mr. Kennedy?



Mr. RADDOCK. As to whether or not you want to afford Mr. Kennedy more time to excerpt another passage here or there, is certainly your right.

The CHAIRMAN. Well, just a minute. Your attorney raised the question that there are only 3 or 4 quotes here. I said I think that there are some more if he wants the rest of it.

Mr. RADDOCK. I would have no objection if Mr. Kennedy read the entire book. However, Senator McClellan, I did answer that I wrote the book.

The CHAIRMAN. I know you did.

Mr. RADDOCK. I credited whatever sources had to be credited and that is my sole and exclusive authority. As to whether or not the Carpenters paid \$750 a page, I am sure Mr. Kennedy realizes that that is rather a facetious remark.

Insofar as the Carpenters being defrauded, Senator McClellan, I assure you that the record will clearly show notwithstanding the figures cited, that the Carpenters got the book at so cheap a rate that I don't think any other trade-union book, including Dubinsky's or William Green's, or John Lewis' or Walter Reuther's, were produced any cheaper, nor distributed as competently as this one in the best interests of the Brotherhood of Carpenters and its vast membership.

The CHAIRMAN. Proceed, Mr. Kennedy. Let us see if we can make some progress.

Mr. KENNEDY. Well, then, over on page 365, and I won't go through it in great detail if you don't want to, as I thought you said you had written the book, and I thought you would like to hear it.

The CHAIRMAN. I have advised the witness and his counsel that according to information we have a great deal of this book was simply taken out of other publications.

Mr. RADDOCK. May I ask, Senator McClellan—

The CHAIRMAN. Do you want to deny that?

Mr. RADDOCK. Yes. Here is what I would like to repeat again: First of all, I would appreciate it greatly if the researchers who checked the contents of this book would identify themselves, as investigators of this committee or as authorities on its content. That is No. 1.

No. 2, insofar as a reading of this book or any other book, I am sure it would show that there are many thoughts borrowed or even a phrase borrowed from other writers. But I think that the point is being labored to the degree that it originally was in order to reflect on me personally and my reputation after 29 years as a writer and I think that that is facetious to say the least.

I do not think the intent is serious, but rather to cast unjustifiable aspersions.

The CHAIRMAN. I do not know. We have testimony here that this book cost some \$310,000, but according to some testimony we have had from people who apparently know their business and with whom you dealt, I believe, for a part of the book, that this book could well have been produced for around \$1 or \$1.10 or \$1.20 and distributed for that amount.

Now, we find that during the time that the book should have been produced, and you were drawing this money, apparently you used the money to pay off your indebtedness, and you got behind with the production of the book. That seems to be indicated.

Now you say that you wrote the book, and you charged for writing the book. It develops according to information that we have, that a great deal of this book, and it may have been done by your researchers—I do not know—was simply lifted out of other publications without giving credit to those publications for it.

I do not know whether you call that trying to embarrass you. I do not like to embarrass anybody, but here are union members who have paid their dues, and on the face of it, and that is what we are trying to inquire into, have been charged and their money has been paid out far in excess of what they could have bought or what this work could have been bought for.

You say, then, you wrote the book. Very good. The question that arises, if you wrote the book, did you simply in order to construct the book, just go to other publications and lift out statements and excerpts from it or pages from it without giving credit to the real author of the language and of the statements?

That would simply indicate to me that possibly, instead of doing such arduous task of writing a book, you simply threw a lot of things together that you assembled from some other authors. I do not know. But there is enough about this that it looks like somebody paid out \$3 or \$4 where \$1 should have purchased the same service.

Mr. KENNEDY. Let me read this last paragraph. This is one more:

McGuire administered the union along the lines dictated by his personality and philosophy such as prevailed during the second half of the last century. The manner in which he and his early coworkers conducted the union can be summed up in these three words: "educate," "agitate," and "organize"—

Is that your language?

Mr. RADDOCK. Yes, sir.

Mr. KENNEDY. May I call another witness, Mr. Chairman?

The CHAIRMAN. Are there any questions, Senator Curtis?

Senator CURTIS. Not at this point, Mr. Chairman.

The CHAIRMAN. Stand aside for the present, Mr. Raddock.

Call the next witness.

Mr. KENNEDY. Dr. Christie.

The CHAIRMAN. You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Dr. CHRISTIE. I do.

### TESTIMONY OF DR. ROBERT A. CHRISTIE

The CHAIRMAN. State your name and your place of residence and your business or occupation.

Dr. CHRISTIE. Robert A. Christie, Pennsylvania. By training I am a college professor of history, and I have taught at Cornell University and Lafayette College, but for the past 2 years, I have been employed as a staff member of Gov. George M. Leader of Pennsylvania.

The CHAIRMAN. You waive counsel, do you not?

Dr. CHRISTIE. I do.

The CHAIRMAN. Proceed.

Mr. KENNEDY. In the fall of 1950, you enrolled at the New York State School of Industrial Labor Relations at Cornell University?

Dr. CHRISTIE. I did.

Mr. KENNEDY. And you were a candidate for a doctor of philosophy at that time?

Dr. CHRISTIE. I was.

Mr. KENNEDY. And you decided to write the history of the Carpenters, as your thesis?

Dr. CHRISTIE. Yes.

Mr. KENNEDY. Now, you have always been interested in the Carpenters, have you?

Dr. CHRISTIE. Yes; I have been interested in them.

Mr. KENNEDY. Would you tell the committee why?

Dr. CHRISTIE. My grandfather was a carpenter and my father was and is, and before I decided to go to college I worked as one, but never became a journeyman.

I was interested in the union for personal reasons, and for academic reasons. It is the oldest continuing union in the United States. It was the first trade ever found in unions away back in the 18th century.

It founded the AFL and speaking strictly academically, it is probably the most important union at present active in the trade union movement from a historical viewpoint.

Mr. KENNEDY. Now, after you decided to write your thesis on the Carpenters Union, did you get in touch with the Carpenters Union itself, the international, to see if they would cooperate as far as making any documents and records available?

Dr. CHRISTIE. Over a period of 3 or 4 months, in the end of 1951, and in early 1952, I contacted various persons in the union to acquaint them with the work I was doing. I contacted them about a year after I began the book so that I would have some background material assembled and know what I wanted to ask them.

In late 1951, I started writing letters to the late Secretary Duffy of the union, and I wrote one to the late Secretary-Treasurer Fisher, Vice President Blaier and requested their aid and assistance in writing the book and presented my credentials as a candidate for a doctor of philosophy.

Mr. KENNEDY. Did they agree to cooperate with you?

Dr. CHRISTIE. No; they never answered any of the letters for a good many months and the chairman of my doctor of philosophy committee phoned Indianapolis and spoke with the education director.

I do not know what his name was, and I did not make the phone call but I was present when it was made, and he told us he did not think we could get any assistance. They never stated why. They did not want an accredited college like Cornell and a labor relations school that was dedicated to collective bargaining, and it says in the charter of the school, and they never said why they did not want the history written.

I received one letter a few weeks after the phone call from Secretary Fisher saying that they would give me no help of any kind, and giving me a 2- or 3-page pamphlet on which to construct my doctor of philosophy thesis, a throwaway sort of thing.

Mr. KENNEDY. Did you decide to go ahead with your thesis anyway?

Dr. CHRISTIE. After consultation, a lot of people felt that such a history could not be written without the cooperation of the union and a lot of other people felt it could be written and it would be a valuable

contribution if it proved you could write it without the cooperation of the union because there are a lot of public documents from many unions in libraries.

One of the objects in writing it was to see what kind of a history could be turned out with the available public documents that you would be able to get in any library.

Mr. KENNEDY. Now, you went ahead and wrote your thesis which was called "Empire in Wood"; is that right?

Dr. CHRISTIE. Yes; a history of the United Brotherhood of Carpenters and Joiners.

Mr. KENNEDY. Was that accepted by the university?

Dr. CHRISTIE. It was accepted by the university as my doctor of philosophy thesis in the spring of 1954.

Mr. KENNEDY. April of 1954?

Dr. CHRISTIE. April of 1954.

Mr. KENNEDY. Before you handed your thesis in, did you receive a communication from a Dr. Graeber of the Trade Union Courier in New York?

Dr. CHRISTIE. I did.

Mr. KENNEDY. And did he request to examine your thesis?

Dr. CHRISTIE. Yes. He wrote me twice and I believe you have copies of the letters, or one of them, and he wrote me a rather vague letter saying that he wanted to see my manuscript, and my research cards for a history of labor for 75 years, I believe were the words he used.

I was writing this under the terms of a fellowship, and I felt that the thesis was by that token partially the property of Cornell, and they had obligated themselves to publish it, if it passed publication standards.

I took it to Leonard Adams, the research director, and asked him what to do and he said, "Well, certainly, you are publishing this work to help any legitimate scholar, but request Dr. Graeber to give you more information on precisely what he is doing."

This is the custom when scholars borrow on each other's work, and you trade ideas. Usually, scholars are happy to trade ideas, and get the help of other scholars, and I wrote a letter and he wrote back again saying the same vague answer.

Dr. Adams advised me not to reply, since I could not get a complete detailed rundown which would have taken at least 2 or 3 pages of single-spaced typed copy to explain in a legitimate project, so I did not get that, and I never gave him my manuscript or helped him in any way, to my knowledge.

Mr. KENNEDY. Then it was finally decided, after your thesis was accepted, that it would be sent to Dr. Graeber, is that it?

Dr. CHRISTIE. Well, what happens then is that it is deposited like any normal book. It is bound.

Mr. KENNEDY. I want to move along to the more important parts.

Dr. CHRISTIE. Yes. Well, it was deposited and Dr. Graybar telegraphed the school, I believe you have a copy of the telegram, and asked for permission to borrow it. Anyone can borrow a book. He received permission and borrowed it, and borrowed it under the terms written in the inside cover that he would give credit to all the ideas and language when he used it.

Mr. KENNEDY. So it was forwarded to him. He asked for an extension in time, did he not, in November of 1954?

Dr. CHRISTIE. Correct. All this without any knowledge at the time. I was not then at the school.

Mr. KENNEDY. It was decided not to give him the extension and it was requested that he return the thesis?

Dr. CHRISTIE. I believe that is the case.

Mr. KENNEDY. That happened about November 1954, is that right?

Dr. CHRISTIE. Correct.

Mr. KENNEDY. Did you ever hear anything further about the situation, for the next year or so?

Dr. CHRISTIE. I had no idea he had the book. I was then teaching at Lafayette College in Easton, Pa., and pursuing other activities, revising the thesis for publication, when I was contacted by Mr. Levitas, editor of the New Leader, a national publication in New York.

He told me of the existence of this book here by Mr. Raddock, The Portrait of an American Labor Leader, and advanced the opinion that it was an issue of lies and misrepresentations, in his letter, and would I review it. I replied I would review it, and whatever it was I would call it, but not with any preconceived notion. He then forwarded me the book.

Mr. KENNEDY. Did you then read the book?

Dr. CHRISTIE. I read it.

Mr. KENNEDY. What was your reaction?

Dr. CHRISTIE. It was like living a dream, something I had done before. I kept seeing myself in the pages. There were five or six thousand of my words stolen, plagiarized, borrowed, whatever you want to call it.

Mr. KENNEDY. It was hardly borrowed.

Dr. CHRISTIE. No. "Plagiarized" I think would be the accurate word. I recognized it almost as soon as I got into the book. The book is full of fits and starts. The style changes abruptly. If you are used to writing or editing at all, you come through a certain type of writing that is very poor and jargon laden and adolescent in composition, and then you ram right up into a crisp, clean sentence.

Mr. KENNEDY. Was that yours?

Dr. CHRISTIE. Well, I wasn't the only one involved. As a matter of fact, the first strained sentence I ran into was that of Frederick Lewis Allen, the late editor of Harpers from his book The Big Change.

At that time I was using it for lectures at Lafayette.

Mr. KENNEDY. Did you find then that the book was not only taken from your thesis but was taken from other books?

Dr. CHRISTIE. Yes, a good many others.

Mr. KENNEDY. Can you give us the names of some of the other books in which verbatim excerpts were taken?

Dr. CHRISTIE. Yes. Frederick Lewis Allen, The Big Change; George Soule, Prosperity Decade. These are only word for word.

Mr. KENNEDY. These are all word for word?

Dr. CHRISTIE. These are word for word. These are only the books he took word for word, verbatim, with almost no changes. Perhaps he would run sentences together or something like that. From the

Wagner Act to Taft-Hartley, by Professor Mills, and Depression Decade, by Brodus Mitchell. And Empire and Wood, by Christie.

Mr. KENNEDY. Could you give us some examples of some of the things that he took? Did you make up a memorandum as far as your own book was concerned?

Dr. CHRISTIE. Well, yes. I copied the ones from my own book. Everything you read was out of my own book. My thesis, that is.

Mr. KENNEDY. All those excerpts that I read?

Dr. CHRISTIE. All those excerpts you took were my deathless prose, such as it is. I have here a total of—I didn't count it word for word. It comes to 33 single-spaced typewritten pages, with his stuff on the left, out of his book, and my stuff on the right out of my book.

I never received credit in footnote or bibliography for any of it. He never mentioned me once.

The CHAIRMAN. Do you know how many words this contained, Doctor?

Dr. CHRISTIE. I would estimate that probably about five to eight thousand. But that is a guess. They could easily be counted.

The CHAIRMAN. Just half of this—

Dr. CHRISTIE. Half of it is mine, the other half is his.

Mr. KENNEDY. Is that considered a large number of words in a book of this length? Would that be considered a large number of words stolen in a book of this length?

Dr. CHRISTIE. This is a Brinks robbery of literary plagiarism. It is an enormous steal. Then you have to throw the other ones in, too. I haven't got those all typed up.

The CHAIRMAN. Before you put in any others, may we put in as an exhibit this document which I will hand you. Is this your work that you have referred to here of making the comparison with what he has taken from your thesis? Will you identify it, please?

(Document handed to the witness.)

Dr. CHRISTIE. It is.

The CHAIRMAN. Is that your own work, or a photostatic copy of it?

Dr. CHRISTIE. That is a photostatic copy of the work I did myself.

The CHAIRMAN. That is, in taking out of his book what he had taken from yours, and makes a comparison?

Dr. CHRISTIE. Yes.

The CHAIRMAN. That may be made exhibit No. 43, for reference.

(Document referred to as marked "Exhibit No. 43," for reference and may be found in the files of the select committee.)

The CHAIRMAN. All right.

Mr. KENNEDY. You were making some references to the other books.

Dr. CHRISTIE. Well, there are three legal-size pages here out of Frederick Lewis Allen's *The Big Change* and that doesn't include all. There are 3 more pages of his own book taken from 6 more pages of Allen's book that could be added to this. Then there is a full page from George Soule's *Prosperity Decade*, and that isn't all either.

There are 130 more pages out of about 20 pages of Soule.

Mr. KENNEDY. Is there any credit in any of those?

Dr. CHRISTIE. He mentions Soule in 1 or 2 footnotes. He never mentioned Allen. He mentions Soule, and he mentioned Millis Brown.

Mr. KENNEDY. In all instances?

Dr. CHRISTIE. No. He just mentioned them once or twice, and never where he had taken the material, and he never used quotes in this material I have here. The fact that you mention somebody and don't use quotes—when you don't use quotes, the fact that you mention them does not excuse it, at least in academic circles.

Mr. KENNEDY. There were some others?

Dr. CHRISTIE. There was material taken from Broadus Mitchell's book, Depression Decade, and then from Millis' book. This happened on about 10 or 20 pages of all of these books. Had I time, I am sure I could add substantially to this library of sources he took from.

(At this point Senator Ervin entered the hearing room.)

Mr. KENNEDY. This is what you have done in the last week or so?

Dr. CHRISTIE. About a week or 10 days. I have gone into these other books. I also knew they had been taken, but didn't have any good reason to look them up.

(At this point Senator Curtis left the hearing room.)

The CHAIRMAN. This second document that you have referred to, where you have made a comparison or noted them, may be made exhibit No. 43A.

(The document referred to was marked "Exhibit No. 43A" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Do you have an extra copy of it, Doctor?

Dr. CHRISTIE. Yes; I do.

As far as I can see, his only expenses for writing the book was a pair of scissors and a pot of glue.

Mr. KENNEDY. Were there any changes made in the thought, taking some of your language but changing the thought?

Dr. CHRISTIE. Well, yes. That, perhaps, is the most oppressive part of it. He would not only take material but whenever it was critical of the union or of Hutcheson, as any scholarly book—the essence of a scholarly work that is that it exercises criticism of everything you write about—whenever this criticism was directed at the union or at Hutcheson, father or son, or anyone else who happened to be in Mr. Raddock's good favor, he would change the end of a sentence or perhaps he would delete 3 or 4 paragraphs and then continue the plagiarism.

If you have my thesis there, I can give you a few examples.

(The document was handed to the witness.)

Dr. CHRISTIE. Here on page 69 of Mr. Raddock's book, he took a full paragraph that was on page 366 of this thesis. I was referring to the state of labor relations in New York City in the building trades. I said:

Together the two groups regulated New York City building to their own satisfaction and to the exclusion of the various national unions.

I had reference to the employers association and the local unions there.

They settled jurisdictional matters in their own way without consulting national union officers, banned sympathetic striking and practiced rigid control over racketeering on a scale unmatched in any other city.

He changed this to—

They settled jurisdictional matters in their own way without consulting national union officers, banned sympathetic striking and practiced rigid control over skills.

Mr. KENNEDY. Would you give us again the two changes?

Dr. CHRISTIE. Well, I said "Practiced collusion and racketeering on a scale unmatched in any other city."

He said, "Practiced rigid control over skills." Otherwise, the paragraph is identical. So it could have hardly been an error. I mean, a lot of thought went into changing these.

On page 426 there is another rather interesting one.

This is in his book on page 69, I believe. No; on page 105. This is a little complicated. It is on page 105.

In this case, he just used my construction and changed an awful lot, but it is interesting to parallel the construction. I was referring to the fact that in World War I, Hutcheson had conducted a strike which many people thought was against the public interest, and that public opinion was marshalled against him by President Wilson and forced him to call off the strike.

When he was in the dilemma about what to do, I said: "Hutcheson, the Midwestern Republican, the Mason, the patriot, overnight became a public menace," and he said, "Hutcheson, the son of a migrant worker and carpenter, whose father had abandoned his chest of tools at the call of President Lincoln, overnight became a public menace."

(At this point, Senator Goldwater entered the hearing room.)

Mr. KENNEDY. What is your analysis of the book?

Dr. CHRISTIE. Well, it is what in the university you call an official history, and, as such, it is discredited. It is valuable historically to see what the officials concerned wanted the world to think of them. It is a sort of small glimpse into their psyche.

But as history, it is useless except to prove that these men would have this type of a book written. Wherever it suits his purpose, he changes the material throughout the book, even, as I said, when he is borrowing.

He took some stuff from me on page 543 of my book in which I was referring to a jurisdictional fight in the late 1940's on the west coast between the brotherhood and the International Wood Workers Association, and I mentioned union violence which was the heart of the matter.

All of this material was deleted so that you would have absolutely no idea that there was any real type of hard feelings there was there.

Well, here are a couple of examples of the type of writing, wherein he bends over backward to praise the union at the expense of all objectivity, and these are quotes: Maurice Hutcheson "is moderate in everything, even in the use of his intelligence." Page 350.

Page 190, "Hell, fury and vilification could not offend Hutcheson. The President of the United States could not palsy him."

And of some of Hutcheson's opponents, "Thurmond Arnold was an offended buffoon." "Wilson's Edward Hurley exercised imperial arrogance and demagoguery."

The book leans so far over, in quotes, of "moderate use of intelligence" he stumbles.

Well, this is self-explaining here. Here are a couple of his own remarks put in the foreword and elsewhere in the book.

They will only take a minute or two.

Propaganda disguised as history is, of course, not conducive to the clarification of socially significant issues, with which the above-mentioned writers—



he means me and a few others that he didn't like. He calls us all leftists, by which he means we are to the left of him, which isn't difficult to be.

Historical objectivity has no friends in a garrison state, and so on.

I believe it ought to be possible to tell the truth about an important creative personality. I have tried, therefore, to the best of my ability, to remain scientifically objective.

Then on page 14—

As to the facts in this book, I have been scrupulously careful, rejecting unverifiable legends, unsubstantiated tales.

Then on 333—

One curious thing about the life and work of Hutcheson is that none of the small coterie of devotee-writers who lavished so much attention on the labor movement and its leaders since the midthirties, made an effort to understand him. It was a case of love for a new labor movement which opened their eyes as it blinded them. The result has been a series of labor histories, some widely quoted, biographies, monographs, and popularized journalistic outpourings, which are permeated with strong emotional content, unashamed bias, and confusion of moral judgment, and deliberate perversion of facts.

It would be very pertinent in a review of his own book, that remark.

But it is generally accepted, we think, that the writer or biographer should also be a historian, that the moral judgments which he passes on should be based firmly on sound documentary evidence.

The CHAIRMAN. Well, he was on sound documentary evidence when he was taking your book, wasn't he?

Dr. CHRISTIE. I was forced by the professors of Cornell to look all of my stuff up, and I think it is sound.

The CHAIRMAN. Insofar as using your material.

Dr. CHRISTIE. Well, yes. He just omitted a very necessary step.

The CHAIRMAN. All right.

Mr. KENNEDY. What is your general impression of the book?

Have you any summary on that?

Dr. CHRISTIE. It is the worst history book I have ever read.

And I would imagine, perhaps, one of the worst ever written. It does a great disservice to the subject. Because it is so pasted and glued together it is impossible for there to be any intellectual outline or substance to it. It doesn't follow a train of thought, it does not develop a theme or thesis. The construction that was put into the book is reflected in the book itself. It is a very sporadic, episodic hit and miss thing.

Mr. KENNEDY. Do you think it is worth \$310,000?

Dr. CHRISTIE. Good heavens, no. Of course, I can't testify about what it cost to print the book, but normally in a university you would not get more than three or four or five thousand dollars perhaps to write a book like this.

If you went to a foundation for a grant, perhaps the Ford Foundation or Guggenheim might give you \$3,000, \$4,000 or \$5,000, perhaps, for a year.

Mr. KENNEDY. He got \$310,000 for writing and producing 67,000 books.

Dr. CHRISTIE. That is a fantastic payment. I would have stayed in teaching had I known things like that were going to happen.

Mr. KENNEDY. Mr. Chairman, we have some documents if he could identify them to support his testimony regarding the contact with a representative of Mr. Raddock.

The CHAIRMAN. I hand you a series of photostatic copies of five letters and telegrams. I believe there are 4 letters and 1 telegram. I will ask you to examine them and state if you identify them, please, sir.

(The documents were handed to the witness.)

Dr. CHRISTIE. This is a telegram to the university at the time, from Mr. Graeber, I believe, and at the time he borrowed my thesis.

This is a request to Dr. Adams, research director of Cornell, for an extension of the loan on my thesis.

This is Dr. Adams' answer saying that they can't extend it, that they need it at the school.

This is a note from Dr. Graybar returning the thesis.

This is a letter from Dr. Graybar originally acknowledging the fact that Dr. Adams said they could borrow the manuscript, and asking him to send it and saying it would be returned promptly.

The CHAIRMAN. Those may be made exhibits Nos. 44A, B, C, D, and E.

(The documents referred to were marked "Exhibits Nos. 44A, B, C, D, and E," found in the appendix on pp. 12179-12183.)

The CHAIRMAN. Is there anything further?

Are there any questions, Senators?

Senator Goldwater.

Senator GOLDWATER. How long did it take you to do this thesis, once you decided on the subject?

Dr. CHRISTIE. Well, from 1950, September, to its publication in May of 1954, and then about a year and a half more whipping it into a book.

Senator GOLDWATER. So you had about 4½ years or 5½ years?

Dr. CHRISTIE. If you count it up to its book form. It was ultimately published as a book by the Cornell University Press.

Senator GOLDWATER. I was not here. What was the title as published on your book?

Dr. CHRISTIE. Empire and Wood, a history of the United Brotherhood of Carpenters and Joiners of America.

Mr. KENNEDY. You were teaching at the same time, though?

Dr. CHRISTIE. Yes. When I was writing the thesis, I was going to school, earning my doctor of philosophy credits and spending a lot of time on that, and when I was revising the book, revising the thesis for publication as a book, I was carrying a full load of courses at Lafayette College.

Senator GOLDWATER. How long did you think it would have taken you had you applied yourself to that and nothing else?

Dr. CHRISTIE. Well, it so happened that for 2 of those years, from 1952 to 1954, I did just that. I got leave to go down to New York City where the greatest concentration of documents was, and to work full time on it, and did not take any more courses, and took my examinations when I came back for my doctor of philosophy. So there were 2 years full time, and then about a year half time. So the total

time, I would say, was a good 3 years' work for 1 person without any research assistants.

It is pretty difficult, really, to write a book like this and utilize research assistants to any great degree. You might be able to do it in a university, someone like Dr. Nevins, at Columbia, where you have the students under you and they know what you want and it is a closely controlled situation.

But usually a book like this has to be pretty much an individual effort if it is to make any sense.

Senator GOLDWATER. Thank you.

The CHAIRMAN. Is there anything further?

If not, thank you very much, Doctor.

Mr. WALDMAN. Mr. Chairman, are we excused?

The CHAIRMAN. You will have to be here tomorrow.

Before we recess until tomorrow, Mr. Donohue, do you have a report on Mr. Johnson?

Mr. DONOHUE. Senator, Mr. Johnson was in bed at the hotel. I was unable to reach Dr. Yager to find out whether he had yet gotten the report from Dr. Shulman who took the cardiograph.

Dr. Aaron from New York, who is the personal physician of Mr. Johnson, will be here in the morning and will examine him. I will make a report to you, sir, tomorrow morning.

The CHAIRMAN. That will be fine.

The committee will stand in recess until 10 o'clock tomorrow.

(Whereupon, at 4:40 p. m., the hearing was recessed, to reconvene at 10 a. m. Thursday, June 26, 1958. At this point, the following members were present: Senators McClellan, Ervin, and Goldwater.)



# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

THURSDAY, JUNE 26, 1958

UNITED STATES SENATE.  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room, Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, Arkansas; Senator John F. Kennedy, Democrat, Massachusetts; Senator Barry Goldwater, Republican, Arizona; Senator Carl T. Curtis, Republican, Nebraska.

Also present: Robert F. Kennedy, chief counsel; Paul J. Tierney, assistant counsel; John J. McGovern, assistant counsel; Harold Ransstad, investigator; Charles E. Wolfe, accountant, GAO; Karl Deibel, accountant, GAO; John Prinos, accountant, GAO, Richard G. Sinclair, accountant, GAO; Ruth Young Watt, chief clerk.

(At the convening of the session, the following members were present: Senators McClellan and Curtis.)

The CHAIRMAN. The committee will come to order.

Call the next witness, Mr. Kennedy.

Mr. KENNEDY. Mr. Raddock, please, Mr. Chairman.

## TESTIMONY OF MAXWELL C. RADDOCK, ACCOMPANIED BY HIS COUNSEL, SEYMOUR WALDMAN—Resumed

The CHAIRMAN. All right, Mr. Kennedy, you may proceed.

Mr. WALDMAN. Mr. Chairman, in view of the impressive demonstration yesterday of Mr. Christie of the fact that "Hell hath no fury like an author scorned," may we have permission at this point in the record to supply the Committee and have inserted book reviews from publications of general circulation whose views on the literary merits of this book are quite different than Mr. Christie's?

The CHAIRMAN. They may be filed with the committee for reference, and he may refer to them in the course of his testimony if he desires.

Mr. WALDMAN. We don't have them with us, they are in New York, but we will send them to you.

The CHAIRMAN. You may file them with the committee for the committee's consideration and action on them. If found to be appro-

priate, they either may be inserted in the record or filed as an exhibit to the testimony of the witness.

Proceed.

Mr. KENNEDY. Mr. Raddock, do you know anything about the 1300 Broadway Corp.?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. You never heard of that?

Mr. RADDOCK. No.

Mr. KENNEDY. Do you know anything about Consolidated Investments, Inc.?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. The Mid-City Investments, Inc.?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. The State Sibly Corp.?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Do you know of Mr. George Goldstein?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Do you know of a Mr. Charles Gluck?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Have you ever had any conversations regarding either one of those two individuals?

Mr. RADDOCK. I don't know any of those names.

Mr. KENNEDY. Do you know a Norman Leavenberg of the Mid-City Investments?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Do you know a gentleman or heard discussion of a gentleman by the name of A. Martin Katz?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Do you know Al Weinstein?

Mr. RADDOCK. No, sir.

Mr. KENNEDY. Do you know Metro Holovachka, the county prosecutor at Lake County, Ind.?

(The witness conferred with his counsel.)

Mr. RADDOCK. On the advice of counsel I refuse to answer the question on the ground that it may tend to make me a witness against myself.

Mr. KENNEDY. I just asked you if you knew the county prosecutor in Lake County, Ind. Can't you answer that question?

Mr. RADDOCK. The answer, Mr. Kennedy, is that on advice of counsel, I refuse to answer the question on the ground that it may tend to make me a witness against myself.

Mr. KENNEDY. You know this is a government official in Lake County, Ind., and you refuse to tell us even whether you know him on the ground that it may tend to incriminate you?

He is a county official.

Mr. RADDOCK. The answer is still the same, Mr. Kennedy. Do you wish me to repeat the entire answer?

Mr. KENNEDY. Yes, would you?

Mr. RADDOCK. On advice of counsel, I refuse to answer the question on the ground that it might tend to make me a witness against myself.

The CHAIRMAN. Do you know whether he is still the county prosecutor in that county, Lake County? If I understand you correctly, you have taken a position you could not state whether you know this official, this county official, you could not make a statement as to

whether you know him or do not know him, without tending to incriminate you. I just asked a question as to whether you know he is still a county official. I am not sure. Do you know whether he is still a county official?

Mr. RADDOCK. Senator, on the advice of counsel, I refuse to answer the question on the ground that it might tend to make me a witness against myself.

The CHAIRMAN. Let me ask you this question: Do you state under your oath that you honestly believe that if you gave a truthful answer to the question, that the truth might tend to incriminate you?

(The witness conferred with his counsel.)

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. You honestly believe that?

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. Of course, you, having the facts, would know better than I whether your acquaintance with him might tend to incriminate you. So you state it under oath.

The record will stand that way.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Do you know Mr. Michaael Sawochka, of Gary, Ind.?

Mr. RADDOCK. On the advice of counsel, Mr. Kennedy, I refuse to answer the question on the ground that it may tend to make me a witness against myself.

Mr. KENNEDY. Do you know Mr. Sawochka as the secretary-treasurer of Local 142 of the Teamsters, in Gary, Ind.?

Mr. RADDOCK. On the advice of counsel, I refuse to answer the question on the ground that it may tend to make me a witness against myself.

The CHAIRMAN. Mr. Raddock, you have answered very freely all questions up to now, and answered some of them at considerable length. I don't know what is to be implied from this immediate change of attitude. It is your privilege to take the fifth amendment if you honestly believe that answering the questions truthfully might tend to incriminate you.

I am hopeful that you would continue as you did yesterday to be cooperative with the committee and give it all information within your knowledge.

Proceed, Mr. Kennedy.

Mr. KENNEDY. Do you know what the relationship is between Mr. Sawochka, the Teamsters official, and Mr. Holovachka, the County Prosecutor of Lake County?

Mr. RADDOCK. On the advice of counsel I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. Was Mr. James Hoffa contacted in connection with the matters dealing with the Carpenters in Lake County, Ind.?

Mr. WALDMAN. May I say that it would seem to me that I would have to advise the witness on this, and I certainly don't understand what that refers to, the matters dealing with the Carpenters.

Mr. KENNEDY. I will go on. The question was not clear, is that right?

Mr. WALDMAN. It wasn't to me, to the extent that I could properly advise the witness.

Mr. KENNEDY. All right.

Certain matters dealing with the purchase and sale of land in Indiana were being presented to a grand jury in Lake County, is that correct, Mr. Raddock?

(The witness conferred with his counsel.)

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. Was Mr. Hoffa's help or assistance requested in connection with the possible indictments that were to arise out of that case?

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. Isn't it correct that Mr. Hoffa was contacted and he, in turn, contacted Mr. Sawochka in Lake County, of the Teamsters Union in Lake County?

Mr. RADDOCK. On the advice of counsel, Mr. Kennedy, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Let me ask you this: Do you have any knowledge of such a contact having been made?

Mr. RADDOCK. Senator McClellan, on the advice of counsel I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Do you honestly believe that if you answered that question truthfully, the truth might tend to incriminate you?

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. You honestly believe that?

Mr. RADDOCK. Yes, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Mr. Chairman, could I read a short statement in background of this situation to clarify it?

The CHAIRMAN. So that there will be no doubt as to the subject matter being inquired into, and so that the witness may be so apprised, you may read some background information, not as testimony, but upon which to predicate further testimony.

Mr. KENNEDY. In May and June of 1957, hearings were held before the Gore committee, concerning the purchase of land along a proposed right-of-way in Lake County, Ind., by certain individuals, including Frank Chapman, who was the general treasurer of the Carpenters International.

The CHAIRMAN. Is that a right-of-way for a highway for a public highway?

Mr. KENNEDY. That is correct. And the purchase that was being looked into was the purchase that was made in June of 1956.

Involved in this situation, along with Chapman, were Maurice A. Hutcheson, general president of the Carpenters, and O. William Blaier, second general vice president. Within several months after the purchase of the land, it was sold to the State for the highway at a \$78,000 profit on a \$20,000 investment.

Part of the proceeds of the profits were allegedly paid by Chapman to the Indiana Highway Commission, and a deputy in the right-of-way office of the Indiana Highway Department.

Hutcheson, Blaier, and Chapman invoked the fifth amendment before the Gore committee on this matter. This whole situation was



presented to the Lake County grand jury by Metro Holovachka, the county prosecutor, commencing July 22, 1957.

The grand jury recessed on July 23, and thereafter considered the matter for an additional day on August 19, 1957.

Hutcheson, Blaier, and Chapman did not appear before the grand jury because Holovachka did not subpoena them, or could not. On August 20, 1957, Holovachka announced that no indictments of the Carpenters' officials as well as others involved would be forthcoming because "A lack of jurisdiction." Moreover, through an attorney whom Holovachka refused to identify, the Carpenters' officials made restitution to the State of the \$78,000 profit made on the deal.

Subsequently, Mr. Chairman, these three individuals as well as certain of the State officials, were indicted in an adjoining county, Marion County, in the State of Indiana on this deal.

We are inquiring into the situation in connection with the presentation before the grand jury in Lake County, Ind.: the intervention by certain union officials into that matter, and the part that was played by Mr. Hutcheson himself, Mr. Sawochka, the secretary-treasurer of local 142 of the Teamsters, and Mr. James Hoffa, the international president of the Teamsters.

The CHAIRMAN. Is there some information that either union funds were used in the course of these transactions or that the influence of official positions of high union officials was used in connection with this alleged illegal operation?

Mr. KENNEDY. We have information along both lines, Mr. Chairman, not only the influence but also in connection with the expenditure of union funds.

The CHAIRMAN. In that respect, then, it would be similar to the instance down in Tennessee, where we found union funds, some \$20,000, being used in a manner unaccounted for; is that correct?

Mr. KENNEDY. That is correct.

The CHAIRMAN. I believe subsequently it has developed that one of the union officials down there who took the privilege of the fifth amendment before this committee has subsequently acknowledged in an official tribunal, before the senate sitting as an impeachment court in the State of Tennessee, that the \$20,000 was used for an illegal purpose; is that correct?

Mr. KENNEDY. That is correct; for the purpose of fixing his case.

The CHAIRMAN. For fixing a case where there were some 13 union officials involved and indicted.

Mr. KENNEDY. That is correct.

The CHAIRMAN. That is the interest of this committee in a transaction of this kind or alleged transaction of this kind, to ascertain again whether the funds or dues money of union members is being misappropriated, improperly spent, or whether officials in unions are using their position to intimidate, coerce, or in any way illegally promote transactions where the public interest is involved.

Mr. Raddock, you have heard a background statement. That is not evidence, but it is information, however, which the committee has, regarding this matter out there. The committee is undertaking to inquire into this in pursuit of the mandate given to it by the resolution creating the committee.

It is our duty to inquire into it. If you have information, and apparently you have because you say if you give it, it might tend to

incriminate you, may I say to you that you have an opportunity here now, if you have information that will throw any light on this, you have an opportunity now to render a service to your country, to union members, to honest, decent unionism as such, and also to law and order in this country, if you will cooperate and give the information and the facts you have which are within your knowledge.

I will ask you if you are willing to do that.

(The witness conferred with his counsel.)

Mr. RADDOCK. Mr. Chairman, I would like to make it clear for the record, for the press and for the American people that I, too, love my country above everything else; that I am a devotee of honest, clean, genuine, and bona fide trade unionism, and concerned with the American people and the rank and file of labor.

But on the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Well, I believe you said you loved your country above everything else. I was hoping that your cooperation would clearly confirm that statement. You have the right, of course, if you honestly believe that if you told the truth the truth might tend to incriminate you, you have the right under the laws of this country, under its constitution, to withhold the facts that you have.

I was hoping it wasn't that serious. I am really disappointed that it is. I was hopeful that you could cooperate with us and help us get leads here and evidence that would help to expose those who may have engaged in criminal acts, those who may have abused their position and their authority and as union officials, and who may have brought discredit upon one of the large international unions of this country, and that you might be helpful in securing the measure of law enforcement that helps to preserve this country that you profess to love.

(The witness conferred with his counsel.)

Mr. RADDOCK. Mr. Chairman, on advice of counsel I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Mr. Kennedy, do you have other questions along this line?

Mr. KENNEDY. Yes, Mr. Chairman. We have some information, Mr. Chairman, which I would like to ask Mr. Raddock about in connection with this matter, the part that he personally played in the situation.

The CHAIRMAN. All right. If we have information of this witness' connection with anything within the jurisdiction of this committee, about which we are concerned here, in inquiring into, you may ask the witness the questions. He has his right, which he may exercise, but I think the record should be made. At this time, the Chair would like to announce that this prosecuting attorney or county attorney, Mr. Metro Holovachka, has been notified by the committee by telegram dated June 17, 1958, which telegram was delivered to Mr. Holovachka on the 21st of June at 2:30 p. m. He was invited, among other things, as the telegram says, after advising him—and this may be printed in the record, this telegram, and the certification of the delivery by the Western Union at this point—I will read this for the information of those interested:

This is to advise you that the public hearings will be held at 10 a. m. on or about June 24, 1958, at which time it is expected that information reflecting upon you will be developed. You will be afforded an opportunity to testify if you so desire. If you do desire to testify, it is requested that you advise me by collect wire at room 101, Senate Office Building, in order that we may inform you of the exact time and date of the hearing.

That was signed by chief counsel of the committee.  
(The document referred to follows:)

## SELECT LABOR COMMITTEE

## OFFICIAL BUSINESS

JUNE 17, 1958.

(Please confirm delivery.)

Mr. METRO HOLOWACHKA,  
7321 Oak Avenue, Gary, Ind.:

This is to advise you that public hearings will be held at 10 a. m. on or about June 24, 1958, at which time it is expected that information reflecting upon you will be developed. You will be afforded an opportunity to testify if you so desire. If you do desire to testify, it is requested that you advise me by collect wire at room 101 Senate Office Building in order that we may inform you of the exact time and date of the hearing.

ROBERT F. KENNEDY,  
*Chief Counsel, Senate Select Committee on Improper Activities in the  
Labor or Management Field.*

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[Western Union telegram]

WASHINGTON, D. C., June 17, 1958.

ROBERT F. KENNEDY,

*Chief Counsel, Senate Office Building, Washington, D. C.:*

Your telegram June 17 to Metro Holowachka, 7321 Oak Avenue, Gary, Ind., is undelivered. Addressee is out of the city until Saturday. Your message will be delivered upon his return.

WESTERN UNION.

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[Western Union telegram]

GARY, IND., June 21, 1958.

ROBERT F. KENNEDY,

*Chief Counsel, Senate Select Committee on Improper Activities in the  
Labor or Management Field, Washington, D. C.:*

Your telegram 17th Metro Holowachka, 7321 Oak Avenue, deled 230 pmc cst (personally).

WESTERN UNION.

The CHAIRMAN. Have you received a wire or message from Mr. Holovachka since the telegram was delivered?

Mr. KENNEDY. No, Mr. Chairman, he has not contacted us since that telegram was delivered. At an earlier time we had informed him verbally that we had expected to develop matters along this line, and he indicated he was not going to come before the committee.

The CHAIRMAN. The only reason I make this a part of the record at this time, I may say, is because in the Tennessee investigation, in which Judge Schoolfield's name came into the hearing and derogatory testimony was developed with respect to him, or testimony brought his name into the hearing, he was advised by wire, and also by telephone conversation, that there would be information that might reflect upon him developed by the committee, and he was invited to be present.

Thereafter, some suggestion was made that he should have been subpoenaed. In a matter of this kind, it is the Chair's feeling, at

least, unless we have reason to believe they would give testimony and not just invoke the fifth amendment, it is not necessary to put the Government to that expense.

If they do not care to come and testify after being invited, then we can determine later whether a subpoena is warranted. But we do not want to be unfair to anyone, and where we have advance knowledge that testimony will be given that will reflect upon an official of the Government or of a State, or subdivision thereof, we feel it proper to advise them and give them the opportunity to be heard if they so desire.

All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Mr. Chairman, we have information that Mr. Raddock registered at the Drake Hotel on August 11, 1957, with Mr. Hutcheson.

Is that correct, Mr. Raddock?

The Drake Hotel in Chicago, Ill.

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. And that his transportation to that hotel and his stay at the hotel was paid for out of Carpenter funds.

Is that correct, Mr. Raddock?

(The witness conferred with his counsel.)

Mr. WALDMAN. There is some doubt. When you say his transportation and hotel, do you mean, by his, Mr. Raddock's?

Mr. KENNEDY. Yes, Mr. Raddock's.

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. May I ask you, Mr. Raddock, if, on other occasions, you have performed services for the Carpenters' Union?

(The witness conferred with his counsel.)

Mr. RADDOCK. Yes, sir, Senator McClellan.

The CHAIRMAN. You have performed services for the International Brotherhood of Carpenters on other occasions, for which you have been paid and for which you have received your expenses, is that correct?

(The witness conferred with his counsel.)

Mr. RADDOCK. In the year 1956, I was paid for services in connection with the all-year-long 75th anniversary celebration and regional conferences held throughout the United States and Canada.

The CHAIRMAN. Were your travel expenses paid by the Carpenters' Union in connection with those services?

(The witness conferred with his counsel.)

Mr. RADDOCK. Your question was travel expenses and——

The CHAIRMAN. Travel expenses and hotel bills incident to the performing of the services for which you were employed. Were your expenses, travel expenses, hotel bills, and incidental expenses connected with the services rendered, paid by the Carpenters' Union?

Mr. RADDOCK. During the year 1956, the Carpenters' Union paid a portion of hotel bills, I believe, and some travel expenses for myself and some other members of my staffs.

The CHAIRMAN. In connection with the work——

Mr. RADDOCK. With the 1956 yearlong celebration and regional conferences.

The CHAIRMAN. Well, that was in connection, I say, with work you were performing for the Carpenters' Union, is that correct?

Mr. RADDOCK. Precisely as I outlined them.

The CHAIRMAN. Well, I think I understood you.

Mr. RADDOCK. Yes, sir, Senator McClellan.

The CHAIRMAN. So your expenses were paid.

And it would be proper, I think, if you were performing the services. There is nothing improper about it. The only question is if you have been performing services for them and have been paid for them. We asked a question about—on this particular occasion of August 11, 1957, if you registered at the Drake Hotel in Chicago, along with Mr. Hutcheson of the Carpenters' Union, and if your expenses, your travel expenses and hotel bills were paid for that trip and for whatever services you performed at that time.

Are you prepared to answer that?

(The witness conferred with his counsel.)

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. The other services that you performed, that you have testified to, for which you were paid, there was nothing in connection with that, I believe, then, that causes you to feel that if you told the truth about it you might be a witness against yourself, is that correct?

(The witness conferred with his counsel.)

Mr. RADDOCK. If I understood you correctly, Senator, anything that I answered previously regarding my services to the United Brotherhood of Carpenters and travel and other expenses therefor, are correct.

The CHAIRMAN. I hand you here, then, a photostatic copy of your registration at the Drake Hotel on the 8th and 15th, I believe, in 1957; is that correct—yes—together with the bill rendered by the hotel for your stay there, and ask you to examine it and state if you identify your registration card and also the bill rendered for your expenses, your hotel bill and so forth, while there.

I ask you to examine them and state if you identify them.

(The documents were handed to the witness.)

(The witness conferred with his counsel.)

Mr. RADDOCK. Mr. Chairman, on the advice of counsel I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. The hotel bill and the registration certificate may be made exhibits Nos. 45 A and B.

(The documents referred to were marked "Exhibits Nos. 45 A and B" for reference and may be found in the files of the Select Committee.)

The CHAIRMAN. I believe the hotel bill shows that it was signed for, or approved by Mr. M. A. Hutcheson.

Is that correct? It shows that you registered as representing the firm of United Brotherhood of Carpenters and Joiners of America.

Is that correct, Mr. Raddock?

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Is this your handwriting on the registration certificate, Mr. Raddock?

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. I believe the hotel bill totals some \$147.10. Was that hotel bill paid by you or was it paid by the Brotherhood, the International Carpenters and Joiners.

Mr. RADDOCK. On the advice of counsel, Mr. Chairman, I respectfully decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Were you in the employ of the United Brotherhood of Carpenters and Joiners of America at the time you took this trip to Chicago, and at the time you incurred this hotel bill?

Mr. RADDOCK. On the advice of counsel I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. If you were in their employ, as this indicates, or that your expenses were being paid, will you tell us what kind of service you were employed to render at that time?

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. Mr. Raddock, you have answered other questions regarding the work you did for the same international union, and stated that you got paid for it, and got your expenses for it.

I assume, then, of course, where you answered with respect to that, there was nothing connected with your employment that might tend to incriminate you, or cause you to be a witness against yourself by answering truthfully about it.

Now we reach this point where you are apparently on a mission for this international union, and your expenses are being paid. Now you state, if I understand you correctly, that if you answered truthfully regarding this trip, this mission, the services rendered, and accepting expenses for it, that if you answered truthfully, the truth might tend to incriminate you; is that correct?

(The witness conferred with his counsel.)

Mr. RADDOCK. Yes, sir, Senator.

The CHAIRMAN. Well, that is a very sad situation. Here is a great international union. The officers have tremendous responsibility. They are in a position of great and sacred trust, I would say, to literally thousands upon thousands of working people in this country who are members of that union, who support it. Here we have now expenditures being made over the authority or authorization of the president of that great international union, expenses being paid for services, I assume, rendered, where the one who performs the service and who receives the expenses states that if he told the truth about it, that is, as to the kind of service he was to perform, or what he was employed to do, or having accepted and received the expenses incurred in connection with that service, if he told the truth about it, it might tend to incriminate him.

That cannot help—without being explained, it cannot help but be a reflection upon the management of that union.

It is those things that has given the country as well as this committee and the Congress grave concern about how some affairs of unions are today being conducted.

I should hope that you would reconsider and be able to help the committee and give us the truth about it.

If Mr. Hutcheson, and the services you were engaged in, that you were employed to perform, and the expense that he authorized here and paid out of union funds were for legitimate reasons, I would be hopeful that you would give us an explanation of it.

Can you do that?

(The witness conferred with his counsel.)

Mr. RADDOCK. Senator, on the advice of counsel, I must respectfully decline to answer on the ground that to do so might tend to make me a witness against myself.

The CHAIRMAN. I am compelled, and I think everyone who listens or who may read this transcript is compelled, to the conclusion that you are being truthful at least about taking the fifth amendment, and that if you did tell the truth, it might tend to incriminate you, and also those of the union who are responsible for and who authorize the services you performed.

I will have to let the record stand that way, unless you wish to correct it by sworn testimony.

Mr. WALDMAN. Well, I assume the record needn't show that the courts have held that the plea of the privilege did not indicate an admission on the part of the witness—

The CHAIRMAN. The attorney can take judicial notice of that as I do. I said he had a right to take it under the Constitution, and the committee needs no lecture at this late hour in its work with respect to what the fifth amendment is and the privilege of taking it.

Let's proceed.

Mr. KENNEDY. You were in Chicago on August 11, 1957; it was there, was it not, that the contact was made with Mr. Hoffa?

Mr. RADDOCK. On the advice of counsel, I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. And you were there on August 11 and August 12 at this hotel, were you not, the Drake Hotel?

Mr. RADDOCK. On the advice of counsel I again respectfully decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. The contact was made with Mr. Hoffa during that period of time, and he agreed at that time that he would contact Mr. Sawochka, the local teamster official in Gary, Ind., is that correct?

(The witness conferred with his counsel.)

Mr. RADDOCK. On the advice of counsel, Mr. Kennedy, I decline to answer on the ground that to do so might tend to make me a witness against myself.

Mr. KENNEDY. Didn't you then, on August 13, contact Mr. Sawochka, yourself?

(The witness conferred with his counsel.)

Mr. WALDMAN. Mr. Chairman, Mr. Raddock has a very sore throat which he got in part from his full day's testimony yesterday. May he be permitted to just say the same answer in the light of that?

It is very difficult for him to testify.

The CHAIRMAN. Are you suffering from a severe throat ailment?

Mr. RADDOCK. Yes, sir, Senator. I don't know how severe it is, but it does hurt.

The CHAIRMAN. It hurts? It is painful to you when you invoke the fifth amendment by repeating the "on the advice of counsel" statement?

Mr. RADDOCK. As one American to the other, Senator, I have always answered you most respectfully. But I do have a sore throat which is an ailment that can overtake humans when they talk freely as I did all day yesterday, from 10 to 4, only to have a stellar performance follow me which I still haven't had a chance to refute.

The CHAIRMAN. Well, we are giving you every opportunity now, and the Chair was simply trying to ascertain from you if it would add to your comfort and help you in giving your testimony if the Chair simply permitted you to state "The same answer." with the understanding that "the same answer" would be "on the advice of counsel" as you have quoted a number of times. I am trying to make this record so there would be no doubt about it. I am trying to be considerate.

Mr. RADDOCK. As I said yesterday, you are most considerate, Senator, you are the perfect gentleman from Arkansas. But my throat does hurt me slightly, and I would appreciate it if I could make my answers on this subject briefer.

Mr. KENNEDY. I wish you had said that yesterday.

Mr. WALDMAN. His throat didn't hurt yesterday.

The CHAIRMAN. I don't want to ever be unfair to anyone, whether it is a physical ailment or suffering. I don't want to be unfair or unduly exacting. It is quite proper, however, for the taking of the privilege to be stated clearly so there can be no misunderstanding about it.

The understanding, and with your acquiescence in it, that you do state each time when you say "I give the same answer," you refer to the statement you have been reading, "on the advice of counsel" which says that you decline on the ground that to do so might be giving evidence against yourself.

(The witness conferred with his counsel.)

Mr. RADDOCK. That is agreeable, Senator.

The CHAIRMAN. All right.

Since the committee is being very considerate of you, won't you be a little more considerate of us and more cooperative?

This is not pleasant, what we are having to do. I think one favor deserves another. Can you now be cooperative with us?

Well, all right, proceed.

Mr. KENNEDY. We had you contacting Mr. Sawochka on August 13. Can you tell us what you discussed with him at that time?

(The witness conferred with his counsel.)

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And then several times again on August 14 you contacted him?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Then you went down to Gary, Ind., and consulted with him, did you not?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Would you tell the committee how it was going to be arranged between you and Mr. Sawochka to make the approach to the prosecuting attorney?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Was Mr. Joseph P. Sullivan, who was the attorney for local 142, brought in on this matter?



Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Do you know Mr. Joseph P. Sullivan?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And at the same time as being the attorney for local 142, was he also an assistant county prosecutor?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. So were discussions held with Mr. Sullivan also?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Were most of those conversations held by Mr. Sawochka with Mr. Sullivan?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. There was discussion at that time, was there not, about having no indictments against Mr. Hutcheson, Mr. Chapman, and Mr. Blaier?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Was it discussed at that time the reimbursement to Mr. Holovachka for not indicting Mr. Chapman, Mr. Blaier, and Mr. Hutcheson?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Was there going to be another land operation so that Mr. Holovachka could be reimbursed?

(The witness conferred with his counsel.)

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Did you return, then, to your home in, your residence, Mamaroneck, around August 17, 1957?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And your air transportation back to New York from Chicago was paid by the Carpenters, was it not?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And when you returned home to Mamaroneck on August 17, didn't you call Mr. Sawochka at his residence in Gary, Ind., at 9:36 p.m. and speak for 17 minutes?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And shortly after you talked to Mr. Sawochka, didn't you call Mr. Hutcheson at his residence in Indianapolis at 10:34 and speak to him for 4 minutes?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. That is the information we have.

The CHAIRMAN. Have you checked the telephone records and that is what they reflect?

Mr. KENNEDY. That is correct.

The CHAIRMAN. You appreciate, Mr. Raddock, that this information comes from the records of the telephone company. Would you want to refute it?

Mr. RADDOCK. The same answer.

The CHAIRMAN. Do you want to deny these records are correct?

Mr. RADDOCK. The same answer, Senator McClellan.

The CHAIRMAN. In this instance, I gather the impression from this background information and from your attitude about it, there was a conspiracy between those of you who were pursuing this project to obstruct justice, to prevent indictments being found against Mr. Hutcheson, Mr. Chapman, and Mr. Blaier. Is that a correct assumption?

(The witness conferred with his counsel.)

Mr. RADDOCK. The same answer, Senator McClellan.

Mr. KENNEDY. Also at this period of time or perhaps possibly earlier, Mr. Charles Johnson was brought into the matter; is that right?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Do you know Charlie Johnson, vice president of the Carpenters?

Mr. RADDOCK. I know Charles Johnson, Mr. Kennedy.

Mr. KENNEDY. Of the Carpenters Union?

Mr. RADDOCK. Yes.

Mr. KENNEDY. Did you discuss this matter with Charles Johnson of the Carpenters' Union?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Did he also discuss this with Mr. Hoffa?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Did Mr. Johnson go to Gary, Ind., with you?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Our information is that Mr. Johnson went to Gary, Ind., himself.

Could you tell the committee why he went to Gary, Ind., sir?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. On August 18, 1957, you called Mr. Sawochka again at 12:28 p. m. and spoke to him for 5 minutes, is that right?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Then on August 19 you called him—this was the day before the prosecuting attorney announced, Mr. Chairman, that there would be no indictments, this is on August 19—and did you then talk to him, Mr. Sawochka? At the Lake Hotel Building in Gary, Ind., for 7 minutes?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And then did you return to Chicago on that date, August 19, at Carpenter expense and register once again at the Hotel Drake?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. Our information is that you did. Is that correct?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. What were you doing out in Chicago at that time, in August, August 19?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And during this period of time you were keeping in touch with Mr. Hutcheson, were you not, and keeping him advised as to what you were doing?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. And the prosecuting attorney made his announcement on August 20, 1957, is that right, that there would be no prosecution?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Did you then continue to be in touch with Mr. Sawochka?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Could you tell us what you were discussing with Mr. Sawochka after August 20?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Were there certain financial arrangements that needed to be ironed out after August 20?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. What part did you play in the restitution of the \$78,000 to the State of Indiana?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Did you handle that for the Carpenters?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Could you tell the committee how you got involved in that yourself?

Mr. RADDOCK. The same answer.

Mr. KENNEDY. Did you handle any of this money which was restored to the state?

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. In fact, you were employed to fix this case, were you not, Mr. Raddock?

(The witness conferred with his counsel.)

Mr. RADDOCK. The same answer, Mr. Kennedy.

Mr. KENNEDY. That is all for now, Mr. Chairman.

The CHAIRMAN. Do you wish to make any statement?

Mr. RADDOCK. Senator McClellan, I appreciate your gesture very much. I would like to prepare in the next few hours a factual statement concerning yesterday's testimony.

The CHAIRMAN. You will be recalled again. I just wanted to know whether you wanted to make any statement now in connection with these matters about which you invoked the fifth amendment.

You will be given another opportunity to testify, but I just wondered now, after the questions have been asked you which carry with them very definite implications that would implicate you in an enterprise or in a project that would be improper insofar as the use of union funds in the judgment of the Chair, at least, I wondered if you wanted to clarify or make any statement in your own interest or to help the efforts of the committee with respect to the matter about which you have been interrogated here this morning.

Mr. RADDOCK. No, sir, Senator McClellan; and I thank you very much for your kindness.

The CHAIRMAN. All right. You may stand aside for the present.

Call the next witness.

Mr. KENNEDY. Mr. Chairman, we have an affidavit which would be of some interest in connection with this matter.

Mr. WALDMAN. Is it my understanding that the witness is directed to remain?

The CHAIRMAN. Yes; we are going to try to conclude, but we may need him.

Senator CURTIS. May I ask 2 or 3 questions?

The CHAIRMAN. Pardon me, Senator Curtis.

Senator CURTIS. Mr. Raddock, do I understand correctly that you made an intensive study and research of the history of the Carpenter's Union in preparation of your book?

Mr. RADDOCK. That is correct, Senator Curtis.

Senator CURTIS. Did you make a study of the finances of the Carpenters' Union?

Mr. RADDOCK. In a general way, since I am no fiscal expert.

Senator CURTIS. Did you make a study of the growth of their wealth and their capital assets?

Mr. RADDOCK. In a superficial sense; yes.

Senator CURTIS. And did that include their property wherever it may be, including the State of Florida?

Mr. RADDOCK. That is correct.

Senator CURTIS. Did you find that it was all accounted for and preserved for the benefit of the union throughout the years?

Mr. RADDOCK. In my estimate, most certainly so.

Senator CURTIS. You found nothing to the contrary?

Mr. RADDOCK. Nothing to the contrary.

Senator CURTIS. That is all.

The CHAIRMAN. I have an affidavit here which I believe you might be interested in, and might want to make some comment upon.

This is an affidavit dated June 24, 1958, from Mr. John D. Hackett.

It states:

(The document referred to follows:)

STATE OF INDIANA,

*County of Marion, ss:*

I, John D. Hackett, being duly sworn, upon my oath state that I am presently an employee on the staff of the Indianapolis Times, a newspaper of daily circulation located at Indianapolis, Ind.; that on August 19, 1957, I was employed as a reporter for the said Indianapolis Times newspaper at Indianapolis, Ind., and on said day was assigned to rewrite duty, and that on said day at 9:45 a. m. I did receive an anonymous phone call while stationed at my assigned desk in the offices of the Indianapolis Times, wherein such anonymous phone call I did hear a male voice state the following:

"Thought you people would like to know that Gary Carpenter's case has been all taken care of by the Teamsters. There will be no indictment today. You can check the telephone room in Chicago and find that Max Rattock put through a call to Charles Johnson, Jr., last night. This came right after the Teamsters had a meeting in Gary last Wednesday night."

At this point of the anonymous caller's statement, I stated to him:

"We are very much interested! Who are you and will you give me your name?"

The same male voice then replied as follows:

"Me? I'm connected with it and I can't give you my name. Check it out and see."

This was the end of the conversation with nothing more being said by either the anonymous male caller or myself, as the said anonymous caller terminated the conversation.

I hereby assert that the above facts, including conversation, are true in substance and in fact, as this affiant is informed and verily believes.

[S] JOHN D. HACKETT.

Subscribed and sworn to before me this 24th day of June 1958.

OLIVE ELLA BALLARD,  
*Notary Public, Marion County, Ind.*

My commission expires December 16, 1961.

The CHAIRMAN. Mr. Raddock, were you the one that made the anonymous call?

(The witness conferred with his counsel.)

Mr. RADDOCK. The same answer, Senator McClellan.

The CHAIRMAN. This says that Max Raddock put through a call "to Charles Johnson, Jr., last night."

Would you like to deny that?

Mr. RADDOCK. The same answer, Senator.

The CHAIRMAN. You don't want to deny it. I get some anonymous calls, too, you know, where things are said to you that may not be true.

This anonymous caller, if it wasn't you, yourself, certainly used your name here, according to this sworn testimony, and said you "put through a call last night to Charles Johnson." Would you want to deny that you did that?

(The witness conferred with his counsel.)

The CHAIRMAN. All right. Do you want to deny that you put through that call?

(The witness conferred with his counsel.)

Mr. RADDOK. The same answer, Senator McClellan.

The CHAIRMAN. This anonymous call here is quite significant. Whoever did the calling evidently had the right information, because I believe it was the next day that it was announced officially that they would not be indicted. If you have some information about that that you think would be helpful to us, we would appreciate it if you would give it.

(The witness conferred with his counsel.)

Mr. RADDOK. The same answer, Senator McClellan.

The CHAIRMAN. O. K. Is there anything further, Senator Curtis?

Senator CURTIS. No.

The CHAIRMAN. All right. Stand aside for the present. Call the next witness.

Mr. KENNEDY. Mr. Sawochka.

The CHAIRMAN. Be sworn, please. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SAWOCHKA. I do.

#### TESTIMONY OF MICHAEL SAWOCHKA, ACCOMPANIED BY COUNSEL, HARRY CLIFFORD ALLDER

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. SAWOCHKA. My name is Michael Sawochka, I reside at 2500 West 41st Avenue, Gary, Ind. I am secretary-treasurer of the teamsters Local 142.

The CHAIRMAN. Thank you very much.

You have counsel present?

Mr. SAWOCHKA. Yes, sir.

The CHAIRMAN. Identify yourself, Mr. Counsel.

Mr. ALLDER. My name is Harry Clifford Alder, a member of the bar of Washington, D. C. I have an office at 401 Third Street NW.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. You are in the Teamsters Union, you are a member of the Teamsters Union?

Mr. SAWOCHKA. Yes, sir.

Mr. KENNEDY. What union is it?

Mr. SAWOCHKA. Teamsters 142. I am secretary-treasurer.

Mr. KENNEDY. How long have you held that position?

Mr. SAWOCHKA. About 27 years.

Mr. KENNEDY. You have been secretary-treasurer for 27 years?

Mr. SAWOCHKA. Not as secretary-treasurer, but as an officer, steward, and finally secretary-treasurer.

Mr. KENNEDY. How long have you been secretary-treasurer?

Mr. SAWOCHKA. Since 1941.

Mr. KENNEDY. And how often do they have an election in that local?

(The witness conferred with his counsel.)

Mr. SAWOCHKA. Our elections in Local 142 over a period of years, Mr. Kennedy, have varied. At one time we had annual terms, and a change in 3 years, and now we elect our officers every 5 years.

Mr. KENNEDY. When were you last elected?

Mr. SAWOCHKA. I was elected in December of 1957.

Mr. KENNEDY. Did you have an opponent, any opposition at that time?

Mr. SAWOCHKA. I had no opponent.

Mr. KENNEDY. Did you, prior to that time?

Mr. SAWOCHKA. Yes. At one time. I was originally elected by one vote. Several years later I was defeated by 12 votes. I came back later on and won by a pretty decent majority and have been there since.

Mr. KENNEDY. When was the last time you had opposition?

Mr. SAWOCHKA. 1941.

Mr. KENNEDY. 1941 was the last time you ever had opposition?

Mr. SAWOCHKA. Yes. I might just say this, if I may, Mr. Chairman, that there has been times or occasions, rather, where there was someone nominated.

However, he was not eligible in accordance with the constitution of our organization.

But I have had actually no opposition since 1941.

Mr. KENNEDY. Any opposition that has been nominated has been ruled ineligible under the constitution; is that right?

Mr. SAWOCHKA. Only one time, sir.

Mr. KENNEDY. When was that?

Mr. SAWOCHKA. That was in 1957.

Mr. KENNEDY. 1957?

Mr. SAWOCHKA. That is right.

Mr. KENNEDY. Why were they ineligible?

Mr. SAWOCHKA. Nonpayment of dues.

Mr. KENNEDY. By the first of the month?

Mr. SAWOCHKA. Our bylaws provide our dues are payable quarterly in advance on or before the 15th day of the first month of each quarter, and this particular individual that was a potential candidate had not had his dues paid up for quite some time.

Mr. KENNEDY. How long had he been in the Teamsters?

Mr. SAWOCHKA. I don't recall offhand.

Mr. KENNEDY. A number of years?

Mr. SAWOCHKA. Yes.

Mr. KENNEDY. Did you just purchase some property? Did your Teamsters Local just purchase some property out in Gary, Ind?

(The witness conferred with his counsel.)

Mr. SAWOCHKA. Mr. Kennedy—

Mr. KENNEDY. Let me see if I can get some answers from you. I will strike that question. Do you know the company called the 1300 Broadway Corp.?

(The witness conferred with his counsel.)

Mr. SAWOCHKA. At this time, Mr. Kennedy, on the advice of counsel, I respectfully decline to answer the question and exercise my

privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Do you know the Mid-City Investments, Inc.?

Mr. SAWOCHKA. At this time, on the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Did you just purchase some property from that company or purchase some property from that company for \$40,000?

Mr. SAWOCHKA. At this time, on the advice—

Mr. KENNEDY. With union funds. The union, did they just purchase some property from that company for \$40,000?

Mr. SAWOCHKA. Again at this time, on the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Do you know Mr. Max Raddock?

Mr. SAWOCHKA. On the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Did Mr. Max Raddock speak to you about fixing the case of the Carpenters in Lake County?

Mr. SAWOCHKA. At this time, on the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment not to be a witness against myself.

The CHAIRMAN. The Chair will ask you if you honestly believe that if you gave truthful answers to these questions, that a truthful answer might tend to incriminate you.

Mr. SAWOCHKA. Mr. Chairman, I honestly believe that if I am forced to answer the question, that I may be forced to be a witness against myself in violation of my rights and privileges under the fifth amendment of the United States Constitution.

The CHAIRMAN. You state that you honestly believe that under oath?

I say, you state under oath that you honestly believe what you have just read there?

Mr. SAWOCHKA. Yes.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Did you discuss the matter of the Carpenters' indictments with Mr. James Hoffa, the International President of the Teamsters?

Mr. SAWOCHKA. On the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Did he tell you that you should give every assistance to Mr. Hutcheson or his representatives, Mr. Raddock, or Mr. Charles Johnson, Jr.?

Mr. SAWOCHKA. Again on the advice of counsel, Mr. Kennedy, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Didn't you then have conversations and conferences with Mr. Raddock and Mr. Charles Johnson?

Mr. SAWOCHKA. On the advice of counsel, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And didn't you have conversations directly with Mr. Hutcheson himself in connection with this matter?

Mr. SAWOCHKA. Again on the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Would you tell us what your attorney, Mr. Joseph P. Sullivan, had to do with this matter?

Mr. SAWOCHKA. On the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. Mr. Sullivan is attorney for your local; is he not? (The witness conferred with his counsel.)

Mr. SAWOCHKA. Again on the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. I think that is a matter of full knowledge; if you want to take the position that to admit that he is an attorney for your local might tend to incriminate you—

Mr. SAWOCHKA. I honestly believe, Mr. Chairman, that if I am forced to answer the question, I may be forced to be a witness against myself in violation of my rights and privileges under the fifth amendment of the United States Constitution.

The CHAIRMAN. That fact can easily be established, I think, by other proof. Proceed.

Mr. KENNEDY. According to the information we have, Mr. Chairman, Mr. Sawochka was continuously in touch with Mr. Raddock during the period of time just prior to the indictment being dismissed, and for some period of time afterwards.

Isn't that correct?

Mr. SAWOCHKA. On the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. He contacted you continuously and you also contacted him; is that right?

Mr. SAWOCHKA. Again, Mr. Kennedy, on the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And you also made contacts with both Mr. Charlie Johnson, Jr., and Mr. Hutcheson in connection with this matter?

Mr. SAWOCHKA. On the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.



Mr. KENNEDY. It is true, is it not, that you played a major role in the restitution of the money to the State of Indiana?

Mr. SAWOCHKA. Mr. Kennedy, on the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Do you know the amount of money that was paid in restitution?

Mr. SAWOCHKA. On the advice of counsel I respectfully decline to answer the question, and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Do you have any questions, Senator Curtis?

Senator CURTIS. I think not.

Mr. KENNEDY. Do you know Mr. Holovachka, the prosecuting attorney?

Mr. SAWOCHKA. On advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. You personally contacted Mr. Holovachka frequently during this period of time; did you not?

Mr. SAWOCHKA. Again, Mr. Kennedy, on the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And didn't you, starting on August 13, 1957, or thereabouts, call the prosecuting attorney, both at his office and at his unlisted telephone number?

Mr. SAWOCHKA. On the advice of counsel I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

Mr. KENNEDY. And wasn't this after you were contacted by Mr. Hoffa and by Mr. Raddock?

Mr. SAWOCHKA. On the advice of counsel, Mr. Kennedy, I respectfully decline to answer the question and exercise my privilege under the fifth amendment of the United States Constitution not to be a witness against myself.

The CHAIRMAN. Are there any further questions?

If not, thank you.

Call the next witness.

The Chair will state to the witness and his counsel, you may be recalled, but we hope to finish today. But you better wait.

Mr. ALLDER. I will consult with Mr. Kennedy, then, Mr. Chairman.

The CHAIRMAN. Very well.

Mr. Donohue?

Can you give us at this time a report on Mr. Johnson, the witness that we have discussed heretofore?

Mr. DONOHUE. I talked with Mrs. Johnson at 25 minutes past 10. They were awaiting, momentarily, the arrival of Dr. Aaron, who has come down from New York, and who had treated Mr. Johnson in his

serious heart attack of some 2 years ago, and Dr. Yaeger, the local heart specialist who treated him the night before last.

The report from a cardiograph, which was taken the night before last in his room, indicated he did not suffer a coronary thrombosis, but an attack, I think the doctor called it, of angina pectoris, and that the examination showed no additional heart damage over and above that which still was evidenced from the earlier attack.

I hope that by the noon recess Dr. Aaron and Dr. Yaeger will have made a report which I can give to you, Mr. Chairman, at the opening of the afternoon session.

The CHAIRMAN. Very well. We will meet back at 2 o'clock.

The committee will stand in recess until 2 o'clock.

(Whereupon, at 11:50 a. m., the hearing recessed, to reconvene at 2 p. m. of the same day. At this point, the following members were present: Senators McClellan and Curtis.)

#### AFTERNOON SESSION

(At the reconvening of the session the following members were present: Senators McClellan and Kennedy.)

The CHAIRMAN. The committee will come to order.

Mr. Donohue? You have a report to make to the committee now with regard to Mr. Johnson, Charles Johnson?

Mr. DONOHUE. Yes, sir.

I have a communication under today's date on the stationery of Irwin I. Yager, medical doctor, 3065 16th Street NW., Washington 8, D. C.

#### *To Whom It May Concern:*

In the evening of June 24, 1958, I was called to the Sheraton Carlton Hotel to examine Mr. Charles Johnson, Jr.

When I arrived Mr. Johnson was suffering from severe pain over the sternum (breastbone).

It took two injections and several nitroglycerin tablets to get him some relief. The symptoms and the history were those of coronary heart disease.

He was ordered to complete bed rest.

I called in Dr. Isadore Shulman, of 916 I Street NW., Washington, D. C., in consultation and to get an electrocardiogram on Mr. Johnson.

Dr. Shulman, too, was of the opinion that Mr. Johnson was suffering from coronary artery disease.

The electrocardiogram revealed a previous posterior wall infarction (clot) and coronary insufficiency.

I also learned from Mr. Johnson's physician, Dr. Harold Aaron, of 133 East 58th Street, New York City, that Mr. Johnson has been under the doctor's care for his heart condition for the past 5 years and that in 1956 and 1957 Mr. Johnson was hospitalized for posterior wall infarctions (coronary thrombosis).

In view of these facts it is my opinion as well as that of Drs. Aaron and Shulman that it would be extremely risky to subject Mr. Johnson to any physical or emotional strain.

IRWIN I. YAGER, M. D.

Approved by Mrs. C. J., Jr.

The CHAIRMAN. The Chair has a telegram from Dr. Aaron stating after a brief history of the case, that he would be, in effect, very apprehensive to have Mr. Johnson testify; that it might endanger his life. I would like to have Mr. Johnson's testimony, or if not today, as early as he would be able to testify, but we do not feel disposed to try to override the judgment or the medical decision of reputable doctors, and I take it these are reputable doctors.

Therefore, we have no alternative except to grant a continuance as to Mr. Johnson's testimony. He will remain under subpoena, of course. Will you agree as his counsel that when he is able to testify, and the committee desires his presence, he will respond upon notice without further subpoena?

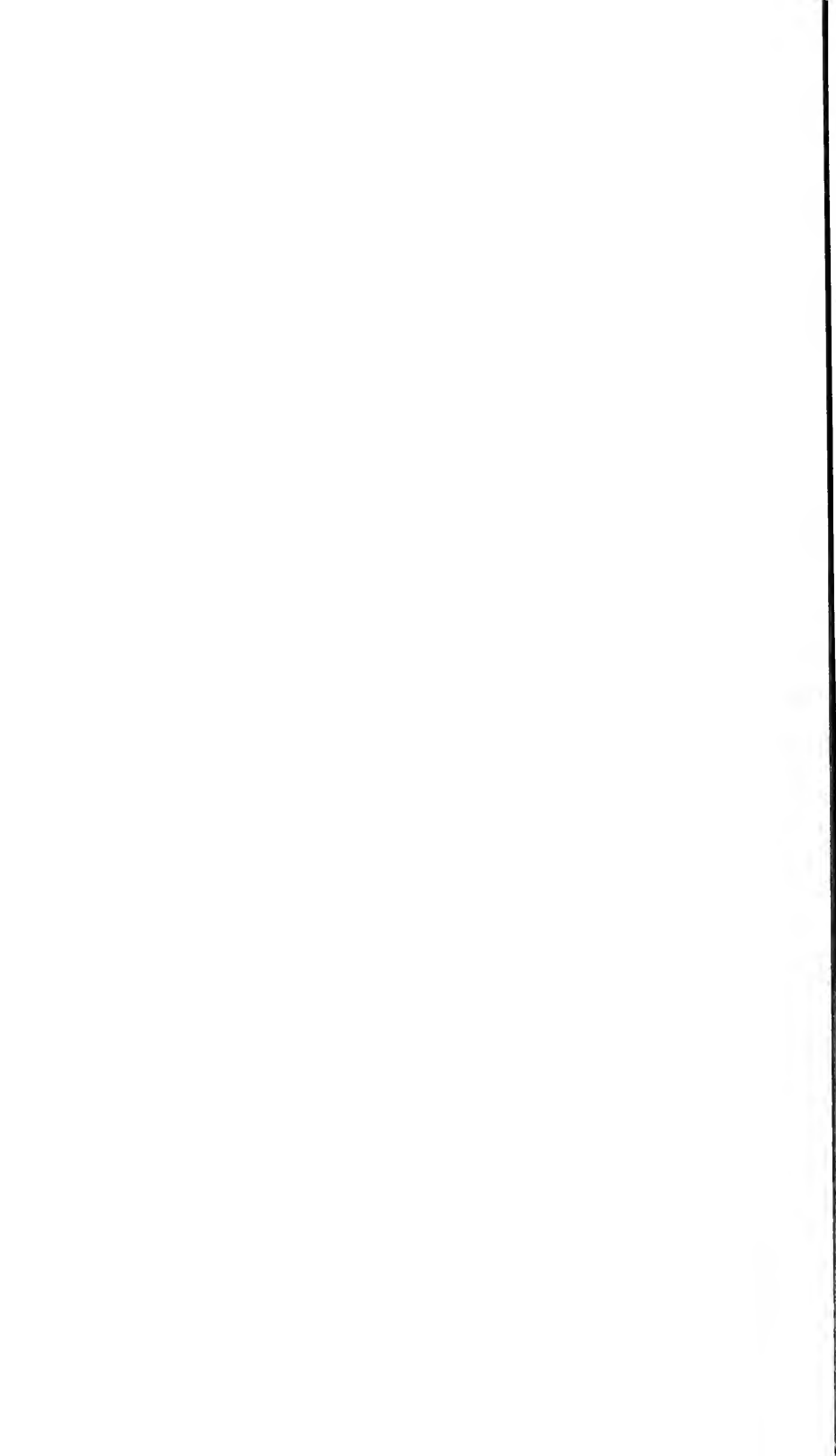
Mr. DONOHUE. Yes, sir.

The CHAIRMAN. Thank you very much.

In the meantime the Chair will announce that Mr. Johnson did appear before the committee in executive session on June 9, at which time he testified. That testimony can be made public and be made a part of this record, on approval of the committee.

Mr. KENNEDY. The approval has already been obtained, Mr. Chairman.

The CHAIRMAN. The approval of the committee to make his testimony a part of this record and a public document, his testimony given in a previous session, has been approved, and, accordingly, it will be made a part of this public record at this point.



## INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

(On June 9, 1958, Charles Johnson testified in executive session before the Select Committee on Investigation of Improper Activities in the Labor or Management Field. This testimony was made public by the members of the select committee on July 26, 1958, and follows below)

MONDAY, JUNE 9, 1958

UNITED STATES SENATE,  
SENATE SELECT COMMITTEE ON IMPROPER ACTIVITIES,  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 2 p. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in room 457, of the Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Members of the select committee present: Senator John L. McClellan, Democrat, of Arkansas; Senator Irving M. Ives, Republican, of New York; Senator Carl T. Curtis, Republican, of Nebraska.

Members of the professional staff present: Robert F. Kennedy, chief counsel; John J. McGovern, assistant counsel; Paul J. Tierney, assistant counsel, Robert E. Dunne, investigator; John Prinos, investigator; Harold Ranstead, investigator; Karl Deibel, accountant, General Accounting Office; Ruth Young Watt, chief clerk.

Also present: George Ives, administrative assistant to Senator Ives. (At the start of the hearing, the following members were present: Senators McClellan, Ives, and Curtis.)

The CHAIRMAN. The hearing will be in order.

Mr. KENNEDY. Mr. Charlie Johnson.

The CHAIRMAN. All right, Mr. Johnson.

Be sworn, please.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. JOHNSON. I do.

### TESTIMONY OF CHARLES JOHNSON, JR., ACCOMPANIED BY COUNSEL, F. JOSEPH DONOHUE

(Other counsel present during the taking of the testimony were Charles B. Tuttle, of Breed, Abbott & Morgan, 15 Broad Street, New York, N. Y.; Francis X. Ward, general counsel, United Brotherhood of Carpenters and Joiners of America, Indianapolis, Ind., 222 East Michigan Street, Indianapolis, Ind.; and Thornton C. Land, of Breed,

Abbott & Morgan, 15 Broad Street, New York, N. Y., of counsel for the United Brotherhood of Carpenters and Joiners of America.)

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. JOHNSON. Charles Johnson, Jr., 1025 Fifth Avenue, New York, N. Y. I am president of the New York District Council of Carpenters.

The CHAIRMAN. Mr. Reporter, read to Mr. Johnson and his counsel the preliminary statement made by the Chair and the chief counsel at the beginning of this session.

(The preliminary statement was read by the reporter, as requested.)

The CHAIRMAN. Mr. Johnson, you have counsel present?

Mr. JOHNSON. I do, sir.

The CHAIRMAN. Identify yourself for the record, please.

Mr. DONOHUE. I am F. Joseph Donohue, a member of the bar of the District of Columbia. I appear as counsel for Mr. Johnson.

The CHAIRMAN. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Mr. Johnson, how long have you been with the Carpenters' Union?

Mr. JOHNSON. 44 years.

Mr. KENNEDY. You are familiar with the fact, are you not, that Mr. Hutcheson, Mr. Chapman, and Mr. Blaier got into some difficulty in the State of Indiana in connection with certain road situations there?

(The witness conferred with his counsel.)

Mr. JOHNSON. I read about it in the paper, sir.

Mr. KENNEDY. Did you have any discussions with Mr. Raddock in connection with that matter?

(The witness conferred with his counsel.)

Mr. KENNEDY. Counsel, I think he would know the answer to that himself. That is not a legal question.

Mr. JOHNSON. On the advice of my counsel, sir, I decline to answer the question upon the ground my answer might tend to incriminate me.

Mr. KENNEDY. How long have you known Mr. Raddock?

(The witness conferred with his counsel.)

Mr. JOHNSON. Upon the advice of my counsel, I decline to answer the question on the grounds I think my answer might tend to incriminate me, sir.

The CHAIRMAN. Mr. Johnson, may we inquire if it is your purpose to invoke the fifth amendment privilege to all pertinent questions regarding this matter?

(The witness conferred with his counsel.)

Mr. JOHNSON. Yes, sir.

Senator CURTIS. May I inquire, Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Is there any indictment pending against you at the present time?

Mr. JOHNSON. No, sir.

Senator CURTIS. To your knowledge, is there any investigation by State or Federal prosecuting authorities of any of your activities at the present time?

Mr. JOHNSON. I have no knowledge of such, sir.

Mr. KENNEDY. Could I ask a question?

Would Mr. Johnson answer any questions regarding his personal affairs, or is it just this one phase of it?

Mr. DONOHUE. At the moment, Mr. Kennedy, it is just this one phase of the inquiry.

Mr. KENNEDY. Where he would invoke the fifth amendment?

Mr. DONOHUE. Yes.

Mr. KENNEDY. Could I ask a few brief questions?

You were in Las Vegas in 1951, Mr. Johnson, October of 1951?

(The witness conferred with his counsel.)

Mr. JOHNSON. Would you repeat the question, please?

Mr. KENNEDY. You were in Las Vegas in October of 1951, I believe, is that correct?

Mr. JOHNSON. Mr. Kennedy, I would have to check my records to refresh my memory.

Mr. KENNEDY. Let me ask the next question.

Did you make an investment in Las Vegas at that time?

Mr. JOHNSON. Just what type of investment?

Mr. KENNEDY. Any kind of investment.

Mr. JOHNSON. In real estate?

Mr. KENNEDY. Any kind of investment whatsoever.

Mr. JOHNSON. I made no investment in real estate or in any hotels or anything else of that nature.

Mr. KENNEDY. Well, what kind of investment did you make at that time?

Mr. JOHNSON. I don't know of any investments that I made.

Mr. KENNEDY. Did you lose a large amount of cash at that time in Las Vegas?

Mr. JOHNSON. Not to my knowledge.

Mr. KENNEDY. You made a number of checks out to cash at that time, which were cashed.

Would you tell us what you did with that?

Mr. JOHNSON. I have no records with me. You have all my records. I would like to have the records.

Mr. KENNEDY. Well, in Las Vegas they were amounting to many thousands of dollars, checks to cash, during that period of time.

Mr. JOHNSON. Mr. Kennedy, in order to answer that truthfully I would like to refresh my memory and view my records, which are not in my possession.

Mr. KENNEDY. Would you look at these briefly? Here is one for \$5,000, on October 1; \$5,000 on October 4; \$5,000 on October 4; and \$11,000 on October 5.

The CHAIRMAN. Let the record show that the counsel presents the witness with a series of four checks to see if he can identify them. He is presenting them to the witness for identification.

(The documents were handed to the witness.)

Mr. KENNEDY. Do you identify those?

Mr. JOHNSON. I do, sir. They are my checks.

The CHAIRMAN. They may be made exhibits 46A, B, C, and D.

(The documents referred to were marked "Exhibits Nos. 46A, B, C, and D" for reference, and will be found in the appendix on pp. 12184-12187.)

Mr. JOHNSON. I have no direct memory of the purpose for cashing those checks, Mr. Kennedy, but I am not a young fellow and I have

been all over this country many times. That was one of the few times I have ever stopped there. But I have met an awful lot of people I know from the west coast, from the Northwest, and from the east coast. And it is possible that friends of mine asked me for a loan of money and repaid me eventually.

Mr. KENNEDY. That is \$21,000 in a period of 5 days.

Senator CURTIS. It is \$26,000.

Mr. KENNEDY. It is a good deal of money and I am sure it is more than you ordinarily deal with even though you were an older man and this was some years ago. It is something I would think you could remember, \$26,000 in 5 days.

Mr. JOHNSON. It is possible. But I just don't remember the purpose for that, for those checks, at this time.

Mr. KENNEDY. Is there any way you can refresh your recollection on it?

Mr. JOHNSON. No, sir, that is about the only way, by my check stubs.

Mr. KENNEDY. You can't remember the \$26,000 when you were in Las Vegas, what you did with it?

Mr. JOHNSON. No, not at this moment.

Mr. KENNEDY. You have no idea?

Mr. JOHNSON. I have a faint idea of what some of them may represent, but being that I am under oath and I am trying to protect myself and only tell the truth, I am not going to guess.

Mr. KENNEDY. Why don't you just give to the best of your recollection, what you did with the money.

Mr. JOHNSON. Maybe one of those checks I cashed it in to play out there.

Mr. KENNEDY. Well, that is maybe 5 or even 11, but there was \$26,000. What did you do with the rest of it?

Mr. JOHNSON. I possibly loaned it to somebody.

Mr. KENNEDY. To whom did you think you could have loaned it?

Mr. JOHNSON. I don't know, sir.

Mr. KENNEDY. Who is T. D.?

Mr. JOHNSON. I have no idea who he is or who she may be.

Mr. KENNEDY. What is the Trilon Housewares Mart, Inc.?

Mr. JOHNSON. Trilon Housewares Mart is a hardware store that my son-in-law and daughter have in Long Island, N. Y.

Mr. KENNEDY. Do you have any financial interest in that?

Mr. JOHNSON. I have no financial interest but I loaned my son-in-law money to expand his store, and he repays, as Mr. Tierney probably knows from my financial records, \$100 a month to me, with interest.

Mr. KENNEDY. In June of 1951, Mr. Johnson, you transferred \$20,000 from your personal bank account to a safety deposit box. What was the purpose of that?

Mr. JOHNSON. I have no recollection of that particular instance at this moment, sir.

Mr. KENNEDY. Well, there is no sense going into the rest of it.

The CHAIRMAN. Are there any questions?

Mr. KENNEDY. I will say this, Mr. Chairman, we have been trying to for a long period of time to interview Mr. Johnson and try to resolve some of these matters and have been unable to do so. His at-



torneys felt it would be better not to sit down with us, up to Mr. Donohue arrived on the scene. I don't know whether there will be a change or not. That is all of this witness.

The CHAIRMAN. All right. Thank you very much. Call the next witness.

HEARINGS OF JUNE 26, 1958—continued

The CHAIRMAN. There are two other witnesses, Mr. Phil Weiss and Mr. Ed Weiss. Gentlemen, be sworn.

Mr. Ed Weiss and Mr. Phil Weiss. Do you and each of you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. Ed WEISS. I do.

Mr. PHIL WEISS. I do.

**TESTIMONY OF ED WEISS, ACCOMPANIED BY COUNSEL, JOSEPH LOUISELL; AND PHIL WEISS, ACCOMPANIED BY COUNSEL, HOWARD RUBIN**

The CHAIRMAN. Beginning on my left, will you give, the witness on my left, your name, your address, and business or profession, please, sir?

Mr. PHIL WEISS. Phillip Weiss, 2956 West Park Boulevard, Shaker Heights, Ohio. I am a salesman.

The CHAIRMAN. And will you give your name and place of residence and business or occupation?

Mr. Ed WEISS. Edward Weiss, Groton, Mass., gasoline and oil business.

The CHAIRMAN. Gentlemen, you have with you your attorneys. Will the attorneys identify themselves for the record, please?

Mr. LOUISELL. On behalf of Mr. Phil Weiss, Joseph Louisell, attorney, Detroit Building, Penobscot Building.

Mr. RUBIN. On behalf of Mr. Edward Weiss, Howard Rubin, 82 Devonshire Street, Boston.

The CHAIRMAN. The purpose of calling you at this time is to recognize your presence here today in response to a subpoena previously served on you. We had intended to hear you as witnesses during this series of hearings on the subject matter under investigation.

In view of the fact that Mr. Charles Johnson is unable to be present and to testify, it is the judgment of the committee that your testimony should not be taken at this time. We would like to take your testimony at the same time we hear him. For that reason, I called you up to place you under oath and to place you under recognizance to reappear without notice without being again subpoenaed.

If each of you will acknowledge that you will return for the purpose of testifying before the committee at such time as the committee may desire your testimony, without being further subpoenaed, and, of course, upon reasonable notice given to you, you and your counsel, then we can excuse you for today.

Is that agreeable, Mr. Phil Weiss?

Mr. PHIL WEISS. I will appear, sir.

The CHAIRMAN. You accept that arrangement?

Mr. PHIL WEISS. Yes, sir.

The CHAIRMAN. And you also, Mr. Ed Weiss, accept that arrangement?

Mr. ED WEISS. Quite willingly.

The CHAIRMAN. And counsel consents thereto?

Mr. LOUISELL. Correct.

Mr. RUBIN. Yes.

The CHAIRMAN. I hope Mr. Johnson's recovery will permit him to appear at an early date. We would like to dispose of this, but I may say to counsel you know from experience of trying cases that there is a proper way of presentation, and sometimes you organize the trial of your case so as to present it in its proper light, and that we have to do here some times. Taking those things into consideration, we are handling the matter this way.

With that understanding, gentlemen, you may be excused.

Thank you.

Call the next witness.

Mr. KENNEDY. Mr. Joseph Sullivan.

The CHAIRMAN. Mr. Sullivan, you do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SULLIVAN. I do.

#### TESTIMONY OF JOSEPH P. SULLIVAN, ACCOMPANIED BY HARRY CLIFFORD ALLDER, COUNSEL

The CHAIRMAN. State your name, your place of residence and business or occupation.

Mr. SULLIVAN. My name is Joseph P. Sullivan, 1800 Central Avenue, Whiting, Ind.; occupation, lawyer.

The CHAIRMAN. Mr. Sullivan, you also have counsel with you.

Mr. SULLIVAN. Yes, sir.

The CHAIRMAN. Let the record show that Mr. Alder is appearing as counsel for the witness, Mr. Sullivan. All right, Mr. Kennedy, proceed.

Mr. KENNEDY. Mr. Sullivan, you practice law in Gary, Ind., do you?

Mr. SULLIVAN. No, sir; Whiting, Ind.

Mr. KENNEDY. Do you do any legal work for the Teamsters Union in Gary, Ind.?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. What union is that, what local?

Mr. SULLIVAN. Local 142 of the Teamsters.

Mr. KENNEDY. Who is head of that local?

Mr. SULLIVAN. Well, I presume you are alluding to the secretary-treasurer, Mr. Sawochka.

Mr. KENNEDY. Mr. Sullivan, do you know Mr. Maxwell Raddock?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. How long have you known him?

Mr. SULLIVAN. Approximately a year or thereabouts.

Mr. KENNEDY. When did you first meet him?

Mr. SULLIVAN. Well, I can't define the exact date, sir, but I would say, roughly, it would be a year or so ago.

Mr. KENNEDY. About August of 1957? Would that be about right?

Mr. SULLIVAN. That could be possible.

Mr. KENNEDY. Where did you meet him?

Mr. SULLIVAN. Pardon me, sir.

Mr. KENNEDY. Where did you meet him?

Mr. SULLIVAN. In Indiana.

Mr. KENNEDY. Under what circumstances?

Mr. SULLIVAN. Well, just simply a meeting, through a mutual friend.

Mr. KENNEDY. Who was the mutual friend?

Mr. SULLIVAN. May I, sir, consult with counsel, please?

(The witness conferred with his counsel.)

Mr. SULLIVAN. The person who introduced me to Mr. Raddock was a client of mine, sir.

Mr. KENNEDY. Who was it that introduced you to Mr. Raddock?

Mr. SULLIVAN. I believe, sir, to identify the client by name would violate the privilege existing between attorney and client.

I believe, sir, that I am under responsibility to that client in the light of the fact that he asked me not to divulge his identity.

The CHAIRMAN. Did he introduce you in connection with his own business, a matter for which you were retained?

Mr. SULLIVAN. I am sorry, sir. Will you repeat the question?

The CHAIRMAN. You said you were introduced to him, to Mr. Raddock, by a client of yours. Was that introduction in connection with your client-attorney relationship in connection with the business that you had been retained by your client to handle?

Mr. SULLIVAN. I believe there, again, sir, I must assert the privilege existing between this client and myself. The relationship was one of the attorney and client, and I believe to divulge it would be, frankly, indirectly, possibly divulging what I could not do directly.

The CHAIRMAN. There is a privileged status then between an attorney and client, with respect to anything that the client told you with respect to the business you handled for him, that is true.

But just the fact that a fellow is your client, it has never been my understanding of it that that would preclude you from testifying as to matters outside of that relationship.

You might have a client, and I will use this as an illustration, who may get into some trouble or did something in your presence wholly unrelated to the relationship of client and attorney.

Certainly you would not be privileged not to tell what you see by reason of the fact that the man happens to be your client, or anything that he does that is not in relation to that.

It is a confidential relationship where a client tells you something in confidence about his affairs which is privileged. We have had this question up before this committee and also before the Senate Investigating Subcommittee, and we have always ruled that the witness will be required to tell who his client is. We don't know whether the relationship can be established. If it can be, of course, it will be respected and any rights under it and privileges under it will be observed by this committee.

Mr. SULLIVAN. Well, Mr. Chairman, I am generally in accord with your premise on the attorney-client relationship and your statement of such. Because of the meeting, and the meeting being between this client of mine and Mr. Raddock, and because of the fact that I was

there on an attorney relationship with my client, it would be hard, frankly difficult, and I think perhaps contrary to all the ethics of the attorney and client relationships for me to not claim the privilege.

The CHAIRMAN. What you are saying in effect is, and I wholly disagree with it—you have Mr. Allder present here today as your attorney. Suppose he introduced you to me and that is the first time you ever met. If that happens, and a year later someone asks you when you first met me, and you say, "Well, a client of mine introduced me."

Mr. ALLDER. We agree to that, Senator, that he would have to testify about it. But he just finished saying that as a result of the attorney-client relationship existing between him and this person you are asking about, he met Mr. Raddock, because of that.

It was only because of that and through that that he talked to Raddock at all, and since being here in front of the executive session before and asked this question, he has gone to that client and asked the client again could he not divulge his name, and the client said, "No, you cannot, because I told you before you could not divulge my name at any time concerning any of the matters that you have represented me on."

The CHAIRMAN. That is stretching pretty thin, if that is the meaning of the law.

Mr. ALLDER. There is a case in this jurisdiction, Senator, which says exactly that, which has not been changed. The case has been standing for 40 years.

The CHAIRMAN. I will frankly confess I have not practiced law for several years, and there have been many decisions that changed the Constitution and a lot of other things since I was actively engaged in the practice of law, and you could be correct. But I still maintain that my own view is it is stretching it pretty thin. I will not undertake at the moment to argue with you. We will make the record. The Chair will order and direct you to answer the question with the approval of the committee. We will make the record and then we will determine about it, if you want to make that kind of a record.

Mr. SULLIVAN. Mr. Chairman, I must stand on the same answer I gave in executive session, and also here in public session, and for the very same reason, that to divulge the identity of this client would, in effect, open the door and constitute a breach of the attorney-client relationship that exists between he and I.

I might say this to you, sir, so I may not seem impertinent, that since the executive session I have gone to this client to ask him whether or not I had his consent and he refused the consent. I so act accordingly.

The CHAIRMAN. The order still stands. We are making the record. I don't understand that one can come into court or before a tribunal and announce that he has a client whose name he can't disclose. I don't know how a court can deal with it or how this committee can deal with it to determine whether a client-attorney relationship actually exists or not. That is not a challenge to your saying he is your client, but I am trying to rationalize this into its ultimate legal potential.

Any time you would bring a lawyer up, he could say "Well, I have a client but I can't afford to testify because my client introduced me to that fellow," and then not disclose the name of the client.

That would be a complete barrier in back of which the court could not go, or the tribunal making the inquiry could not go to ascertain whether the witness is actually telling the truth about having such a client.

Mr. ALLDER. May I answer that, Senator?

The CHAIRMAN. Yes; you may. I don't want to belabor it.

Mr. ALLDER. The case in the District of Columbia, the United States court of appeals, takes up that point, and says that the other side of this matter could, by cross-examination or by producing evidence, refute the fact that he was claiming the privilege correctly or not, whether it was true. If that were true, then he would be prosecuted for perjury.

The CHAIRMAN. Well, I don't think anyone has a right to come into court and commit perjury.

Mr. ALLDER. No; but they took up the exact point that you have raised, Senator.

The CHAIRMAN. I am not denying what you are saying. I am not familiar with the decision, but I am going to make the record.

If I find that your position is right, the record will stand, of course. And if I find that your contention is in error, then the committee will be free to take such action as it deems appropriate within the limits of its authority.

As I understand the witness, you are refusing to identify the person who introduced you to Maxwell Raddock some time about a year ago, because the person that introduced you was or is your client; is that correct?

Mr. SULLIVAN. Yes, sir.

The CHAIRMAN. To make the record so there will be no misunderstanding about it, the Chair again orders you and directs you to inform this committee now under oath the name of your client who introduced you to Mr. Raddock.

Mr. SULLIVAN. Your Honor—I am not used to Senate hearings, and so please forgive me if I address you as your Honor.

Let me say that I say it with all sincerity, though it may not be appropriate to the proceedings at hand. Mr. Senator, I must again refuse to answer any questions by reason of the fact that it would be in violation of the attorney-client relationship, and it would in part more or less do indirectly what I am not privileged as an attorney for my client to do directly.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Did you discuss with Mr. Raddock at that time the matters dealing with the possible indictment of certain carpenter officials?

Mr. SULLIVAN. Pardon me, sir?

Mr. KENNEDY. Pardon me what?

Mr. SULLIVAN. Would you please define as to when?

Mr. KENNEDY. When you meet with Mr. Raddock, the first time you talked to him.

Mr. SULLIVAN. The first time I talked to him?

No, sir.

Mr. KENNEDY. You did not?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Did you meet him by appointment?

Mr. SULLIVAN. No, sir; it was a very inadvertent chance meeting.

Mr. KENNEDY. Then if you state that, how can you then possibly claim that you cannot disclose to us who introduced you, if it was just a chance meeting?

(At this point, Senator Curtis entered the hearing room.)

(The witness conferred with his counsel.)

Mr. SULLIVAN. Mr. Kennedy, the meeting in and of itself was a very chance meeting, as I say. It was not prearranged. But because of certain things that came to my knowledge, information subsequent to that, it would be a breach of the attorney-client relationship insofar as my client is concerned and myself as his attorney.

Mr. KENNEDY. If the lawyer-client relationship did not exist at that time in connection with the matter you were discussing, and in your meeting with Mr. Raddock, certainly you should disclose that information to this committee as to who introduced you.

(At this point, Senator Kennedy withdrew from the hearing room.)

(The witness conferred with his counsel.)

Mr. KENNEDY. Do you still refuse to do so?

Mr. SULLIVAN. No.

I am not clear as to the question. I am not refusing to answer anything, sir, that is proper. I don't understand the question, to be perfectly honest about it.

Mr. KENNEDY. The point is that if this were just a chance meeting and was a meeting where the subject matter of the lawyer-client relationship was not discussed, did not exist at that time as far as Mr. Raddock is concerned, that this information regarding who introduced you should be disclosed to the committee. You are just like an ordinary citizen. So you meet somebody. The committee is interested in determining who introduced you to him. It is very important in the context of what we are looking into at the present time.

Mr. SULLIVAN. Well, sir, I have to again claim the same privilege I have before. It is important in the light of the fact that if it were strictly inadvertent meeting without the association of subsequent things that came to my knowledge as an attorney representing the client, I would agree with counsel.

Mr. KENNEDY. Were the subsequent things that came to your knowledge dealing with the possible indictments of certain Carpenter officials in Lake County, Ind.?

Mr. SULLIVAN. Sir, I again can't divulge that, because that would indirectly be a breach of the same relationship.

Mr. KENNEDY. Was Mr. Raddock involved in attempting to prevent certain Carpenter officials from being indicted in Lake County, Ind.?

Mr. SULLIVAN. That would certainly be beyond my knowledge, sir.

Mr. KENNEDY. Were you an assistant district attorney, prosecuting attorney?

Mr. SULLIVAN. No. I am this, so we get my status insofar as the prosecutor's office is concerned clear: I am a deputy assigned to the Whiting City court which has, as its duties, the prosecution of misdemeanors only. I have no connection whatever with the criminal court at Crown Point or any connection with the grand jury proceeding or anything of that sort.

Mr. KENNEDY. You do work for the prosecuting attorney's office?

Mr. SULLIVAN. That is correct, sir.

Mr. KENNEDY. Who is the prosecuting attorney?

Mr. SULLIVAN. Mr. Holovachka.

Mr. KENNEDY. All right. Was Mr. Raddock interested in attempting to prevent the indictment of certain Carpenter officials in Lake County, Ind.?

Mr. SULLIVAN. Sir, that would be beyond my knowledge.

Mr. KENNEDY. Did you have any conversations with Mr. Raddock along those lines?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Did you have any conversations with Mr. Raddock in connection with the possible indictments of certain Carpenter officials?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. You did not. Did you have any conversation with Mr. Raddock at all regarding the difficulties or problems of Mr. Hutcheson, in Lake County?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. How many times did you meet Mr. Raddock?

Mr. SULLIVAN. Very sincerely, I can't accurately tell you. I would say several times. I am not trying to be evasive, I just don't know.

Mr. KENNEDY. I think you are. I don't think you are being at all frank with the committee.

Mr. SULLIVAN. I certainly don't mean to be.

Mr. KENNEDY. I think you could give this information, and I think as we proceed it will develop that you are not being frank with the committee.

Mr. SULLIVAN. Do you mean because I can't recall the number of times—

Mr. KENNEDY. No; just in the answers you have given in the last few questions.

The CHAIRMAN. Is Mr. Maxwell C. Raddock a client of yours?

Mr. SULLIVAN. No, sir.

The CHAIRMAN. Has he ever been a client of yours?

Mr. SULLIVAN. No, sir.

The CHAIRMAN. Then that relationship never existed between you two.

Mr. KENNEDY. What did you discuss the first time you met Mr. Raddock?

Mr. SULLIVAN. Probably—

Mr. KENNEDY. Not probably. What did you discuss?

Mr. SULLIVAN. To my best recollection, it was a chance meeting, "This is Mr. So and So." "How are you?" "Where are you from?" "What do you do," this and that and that. That was about the extent of it.

Mr. KENNEDY. That was all?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. You refuse to tell the committee who introduced you when that was the total gist of the conversation?

Mr. SULLIVAN. I state to my best recollection that was it.

Mr. KENNEDY. You met with him again?

Did you see him again?

Mr. SULLIVAN. Yes, sir; I did.

Mr. KENNEDY. Who was present when you saw him again?

Mr. SULLIVAN. There again, sir, I must claim the privilege that exists between attorney and client.

The CHAIRMAN. Just a moment.

Were all of those present at the next time your clients?

Mr. SULLIVAN. Pardon me, sir?

The CHAIRMAN. You were asked a question as to who was present when you met Mr. Raddock the next time, after the time you had been introduced to him, and you said you declined to answer on account of the client-attorney relationship.

I am asking you: Were all of those who were present at that time your clients?

Mr. SULLIVAN. No, sir. I have just stated that Mr. Raddock was not. And never has been.

The CHAIRMAN. Were any of the others present not your clients?

Mr. SULLIVAN. To my recollection, no.

The CHAIRMAN. How many others were present besides you and Mr. Raddock?

Mr. SULLIVAN. I would say, sir, to my recollection, three, including myself.

The CHAIRMAN. The other two were your clients at that time?

Mr. SULLIVAN. No, sir, I included myself.

The CHAIRMAN. Well, I said the other two. You said there were three.

Mr. SULLIVAN. Three people, sir.

The CHAIRMAN. Well, there were you, Mr. Raddock and one other?

Mr. SULLIVAN. That is correct, sir.

The CHAIRMAN. Was the other man your client at that time?

Mr. SULLIVAN. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. You are not going to give us the name of the other person you met at that time?

Mr. SULLIVAN. Well, Mr. Kennedy, I don't want to appear impertinent, but the other person I have mentioned is my client.

Mr. KENNEDY. What did you discuss?

The CHAIRMAN. You have it now that he was there with Raddock and a client of his whom he declines to name. The Chair is going to order and direct him to give the name of his client who was present.

Mr. SULLIVAN. I must again claim the same attorney-client relationship and refuse to divulge the name of my client, inasmuch as the divulging of the name would, in effect, be opening the door and creating a breach of that relationship, which I am bound as an attorney to preserve.

I do not have my client's permission to divulge the name.

The CHAIRMAN. Proceed.

Mr. KENNEDY. What did you discuss with Mr. Raddock at that time?

Mr. SULLIVAN. This, Mr. Kennedy, would be the second meeting, is that correct?

Mr. KENNEDY. Yes, that is right.

Mr. SULLIVAN. I believe generally it was just general conversation, gossip, that type of thing, nothing beyond that.

Mr. KENNEDY. What gossip—come on, Mr. Sullivan, you are not answering any questions here.



Mr. SULLIVAN. Mr. Kennedy, I don't want to appear to be evading your questions.

Mr. KENNEDY. Obviously you are.

Mr. SULLIVAN. Let me say this to you, when I say gossip certainly it was no secret in Lake County, Ind., that the Carpenters were in some difficulty, and it was in all the newspapers.

Mr. KENNEDY. Just answer the question. Is that what you were discussing?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. All right. What were you discussing about the difficulty of the Carpenters?

Mr. SULLIVAN. More or less the troubles they were in.

Mr. KENNEDY. And the fact that they were possibly going to be indicted?

Mr. SULLIVAN. I don't think there was any discussion about that.

Mr. KENNEDY. Well, what did you discuss about the troubles they were in, then; relate the conversation to the committee.

Mr. SULLIVAN. Well, the fact that there was this difficulty in Lake County rising out of these alleged violations, which I knew nothing about, had no personal knowledge about, except what information I may know as any citizen may know that reads the newspapers in Lake County. The paper was filled with it.

Mr. KENNEDY. So you discussed that?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. Did you discuss anything else other than that?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. You just discussed the problems and difficulties of the Carpenters' Union officials?

Mr. SULLIVAN. Correct, sir.

Mr. KENNEDY. Now we are moving along.

The grand jury in connection with this matter was sitting at that time?

Mr. SULLIVAN. I can't say. I don't know.

Mr. KENNEDY. Did you have any further conversations with Mr. Raddock?

Mr. SULLIVAN. To the best of my recollection——

Mr. KENNEDY. That is, after the second meeting.

Mr. SULLIVAN. Pardon me?

Mr. KENNEDY. After the second meeting.

Mr. SULLIVAN. To the best of my recollection, any subsequent conversations were by telephone.

Mr. KENNEDY. Did he telephone you?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. After the second meeting, did you telephone him first or did he telephone you?

Mr. SULLIVAN. To the best of my recollection, I believe he telephoned me always.

Mr. KENNEDY. You never telephoned him?

Mr. SULLIVAN. I can't be sure. I don't think so, sir.

Mr. KENNEDY. When he called you the first time, what did you discuss?

Mr. SULLIVAN. This may seem silly, but it is the truth, the same thing, what do you hear, what is going on, what is going on down in Indianapolis.

Mr. KENNEDY. Well, it was all about the Carpenters?

Mr. SULLIVAN. The same story.

Mr. KENNEDY. It was about the Carpenters?

Mr. SULLIVAN. Anything that anyone could read in the newspapers.

Mr. KENNEDY. But it was about the Carpenters, was it?

Mr. SULLIVAN. Yes.

Mr. KENNEDY. You remember that now. And did he call you after that time?

How many times did he call you?

Mr. SULLIVAN. I can't be sure, Mr. Kennedy. I would say several times.

Mr. KENNEDY. Maybe a dozen times?

Mr. SULLIVAN. I don't believe it was that many.

Mr. KENNEDY. Eight times?

Mr. SULLIVAN. Well, I said I didn't believe it was a dozen. I don't believe it was eight.

Mr. KENNEDY. How many times, approximately?

Mr. SULLIVAN. Well, I can't be sure, sir.

Mr. KENNEDY. It was at least eight times; was it not?

Mr. SULLIVAN. It didn't appear to me to be that long.

Mr. KENNEDY. Was it a half-dozen times?

Mr. SULLIVAN. Well, if you say it was 8, it probably was 8, all to my—

Mr. KENNEDY. What did you discuss in the second conversation?

Mr. SULLIVAN. It was always the same thing.

Mr. KENNEDY. You always discussed just the Carpenters?

Mr. SULLIVAN. Yes.

Mr. KENNEDY. Did he ever want you to do anything?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. The third time, what did you discuss then?

Mr. SULLIVAN. It was always the same thing.

Mr. KENNEDY. About the Carpenters?

Mr. SULLIVAN. That is right.

Mr. KENNEDY. What is the gossip in Lake County?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. He just wanted to know all the gossip; is that right?

Mr. SULLIVAN. It appeared to me to be so.

Mr. KENNEDY. Were you in touch with Mr. Holovachka, during this period of time—the prosecuting attorney?

Mr. SULLIVAN. No more than I would be during the time I have been working for him, which encompasses some 6 years or thereabouts.

Mr. KENNEDY. You were in touch with him during the period of time?

Mr. SULLIVAN. Well, of necessity, I would have to be in connection with my job.

Mr. KENNEDY. Were you in touch with Mr. Sawochka during this period of time?

Mr. SULLIVAN. Yes, of course I was.

Mr. KENNEDY. Did you discuss the problem of the Carpenters with Mr. Sawochka?

Mr. SULLIVAN. There again, sir, I can't divulge that because of the fact that it would be a breach of attorney-client relationship.

Mr. KENNEDY. Mr. Sullivan, we are looking into what appears to be an illegal, or at least an improper act, in the State of Indiana, and there

are union officials involved. You have some very pertinent and important information to offer to this committee. Certainly your cooperation can extend further than it has so far during the course of this interrogation.

Certainly you could tell the committee and give the information to the committee as to whether you discussed the possible indictment of the Carpenters or the difficulty of the Carpenters with Mr. Sawochka, a Teamster Union official.

Mr. SULLIVAN. Mr. Kennedy, you know from my prior testimony in executive session that Mr. Sawochka is a client of mine, and for that very sacred reason I cannot, as a lawyer, divulge the conversation between him and me.

Mr. KENNEDY. I am not asking you what the conversation was. All I am asking you is whether you discussed the situation involving the Carpenters with Mr. Sawochka.

I am not asking you what he said to you or what you said to him, but I want to know whether you discussed this matter with Mr. Sawochka, because according to our information he was a part in a conspiracy to subvert the laws of the State of Indiana. He is a union official, and, as such, is within the jurisdiction of this committee.

Mr. SULLIVAN. Sir, for me to divulge by way of answer to your question would be simply indirectly breaching that relationship.

You are a lawyer, Mr. Kennedy, and so am I. I think you can appreciate what I am telling you about an attorney-client relationship.

Mr. KENNEDY. No, I cannot appreciate it at all. All this time of contact with Mr. Raddock and just saying that you are gossiping with him on the telephone, and then the other conversations with Mr. Sawochka, you say you can't give us any of that information. Did you do any work for the Carpenters' union during this period of time?

Mr. SULLIVAN. No, sir; never.

Mr. KENNEDY. Did you have any conversations with Mr. Holo-vachka in connection with the difficulties of the Carpenter officials?

Mr. SULLIVAN. Only in a civil capacity.

Mr. KENNEDY. What do you mean by that?

Mr. SULLIVAN. As I have already testified in executive session, I made restitution in behalf of my client.

Mr. KENNEDY. Then you were acting for the Carpenters' Union?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. You carried the money to the State of Indiana?

Mr. SULLIVAN. I believe, sir, it was a check, if my recollection serves me.

Mr. KENNEDY. From whom did you get the check?

Mr. SULLIVAN. I cannot divulge that. That would be, again, a breach of the attorney-client relationship.

Mr. KENNEDY. Did you get the check from Mr. Hutcheson?

Mr. SULLIVAN. I don't even know Mr. Hutcheson.

Mr. KENNEDY. Was he a client of yours?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Was he a client of yours?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Did you get it from Mr. Chapman?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Was he a client of yours?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Did you get the check from Mr. Blaier?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Was he a client of yours?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Those were the three union officials that made the restitution. Did you get the money from any union official?

Mr. SULLIVAN. That, sir, by way of answer, would be an attempt by indirection to do what I can't answer indirectly, and would be a breach, again, of that same attorney-client relationship.

Mr. KENNEDY. Was the Teamsters Union involved directly or indirectly in the restitution of this money?

Mr. SULLIVAN. There, again, sir, that would follow the same premise. It would be a breach of the attorney-client relationship.

Mr. KENNEDY. Did you discuss with Mr. Holovachka the fact that there would be no indictments in connection with this case?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. When Mr. Holovachka made his announcement, he announced the fact at one time that there was restitution and that there would be no indictments. You say that you made the restitution but never discussed the fact that there would be no indictments?

Mr. SULLIVAN. No, sir.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. Do you recall when this restitution was made, the date of it?

Mr. SULLIVAN. No, sir, I do not. I heard something said here today, and that will be my only means of knowing even an exact date, I think someone this morning said something to the effect of August 20. I think I heard Mr. Kennedy say that this morning. I have no recollection of my own.

Senator CURTIS. Based on your own recollection, was it before or after the announcement that there would be no indictment?

Mr. SULLIVAN. I would say, Senator Curtis, that I could not be sure. I don't know. I would say this to you, that there was no connection with the restitution and the action of the grand jury.

Senator CURTIS. But you don't know which occurred first?

Mr. SULLIVAN. No, sir, I could not say with exactness.

Senator CURTIS. Do you know why restitution was made?

Mr. SULLIVAN. Well, it was given by way of civil restitution entirely, without any promises whatsoever.

Senator CURTIS. Could you tell us whether or not the restitution was made by someone who would have been liable for restitution if a civil action was instituted against them?

Mr. SULLIVAN. There, sir, I cannot divulge because of the relationship between attorney and client. I do not have the permission of my client to answer that question.

Senator CURTIS. That is all, Mr. Chairman.

The CHAIRMAN. All right.

Mr. KENNEDY. Mr. Sullivan, you were interviewed by Mr. Tierney, were you not?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. And did you state to him that you had no connection whatsoever with the Lake County investigation of the highway scandal

and denied at that time that you were the lawyer by whom restitution was made?

Mr. SULLIVAN. That is correct.

Mr. KENNEDY. You did not tell him the truth, is that right?

Mr. SULLIVAN. That is correct.

Mr. KENNEDY. And that interview took place—

Mr. SULLIVAN. In my office.

Mr. KENNEDY. On April 23, at 1:30 p. m., did it not?

Mr. SULLIVAN. Well, I can't be sure of the date. I cannot be sure of the day. But it was in my office.

Mr. KENNEDY. Didn't you immediately after that interview call Mr. Holovachka on the telephone at his unpublished number and discuss the matter with him?

Mr. SULLIVAN. I have no recollection of calling Mr. Holovachka, and I have no recollection of Mr. Holovachka having an unpublished telephone. If he has, I don't know what it is.

Mr. KENNEDY. Did you call him at 3:42 p. m. on April 23?

Mr. SULLIVAN. Sir, I could not answer that question. I don't even know what I did yesterday, let alone what I did then.

Mr. KENNEDY. I would like to find out what you did back in August of 1957. Where you can tell us, you refuse to tell us.

Mr. SULLIVAN. Well, I am only refusing, sir, on the basis of the attorney-client relationship, and none other.

Mr. KENNEDY. That is what you are saying. Shortly after the indictments or the prosecuting attorney, Mr. Holovachka, announced that there would be no indictments in this case, did you handle a land transaction for the Teamsters Union?

Mr. SULLIVAN. Yes.

Mr. KENNEDY. And was that for the purchase of a piece of property in Gary, Ind.?

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. You handled the legal aspects of that?

Mr. SULLIVAN. Strictly the closing of the transaction.

Mr. KENNEDY. Was there any appraisal of the property made prior to the time the Teamsters Union purchased that property?

Mr. SULLIVAN. That would be beyond my knowledge as a lawyer, sir.

Mr. KENNEDY. Do you know of any appraisal that was made?

Mr. SULLIVAN. Do I personally?

Mr. KENNEDY. Yes.

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Did you suggest at that time that an appraisal of the property be made?

Mr. SULLIVAN. Mr. Kennedy, my only relationship with the transaction was simply to check the title on the closing. I had nothing to do with its inception.

Mr. KENNEDY. How much money did the Teamsters pay for that property?

Mr. SULLIVAN. To the best of my recollection, \$40,000, 10½ acres of ground.

Mr. KENNEDY. What is usually the scale or what has been the scale in Gary, Ind., the connection between the appraised tax value of land and the actual value?

Have you sort of a working scale?

Mr. SULLIVAN. There used to be years ago kind of a rule of thumb that frankly isn't accurate any more whatever. We lawyers, when I first started to practice, used to use a 3-to-1 ratio that very honestly is no longer practical because real estate in Lake County, Ind., has gone sky high. Its availability is scarce. Inflation is upon us. As a matter of fact, it is not uncommon to pay \$5,000 and more an acre for undeveloped land in the vicinity of Lake County, Ind., what is commonly called the Calumet district. In fact, there are all kinds of transactions going forward every day at that price in that approximate neighborhood.

Mr. KENNEDY. That is a long answer, which I appreciate.

Mr. SULLIVAN. Well, I was trying to tell you about Lake County, Ind.

Mr. KENNEDY. Do you know what this land was appraised at, tax-wise?

Mr. SULLIVAN. No, sir; that would be no concern of mine as an attorney.

Mr. KENNEDY. You didn't look into that matter at all when you handled the transaction?

Mr. SULLIVAN. Well, I don't think it was derelict on my part as a lawyer attending to the closing not to pay attention to that. It is not common to do it.

Mr. KENNEDY. From whom was this land purchased?

Mr. SULLIVAN. I believe it was purchased from a concern, to the best of my recollection, called the 1300 something or other, possibly 1300 Realty Corporations or something like that. The deed is recorded. It speaks for itself.

Mr. KENNEDY. Did you know that the tax appraisal of that land at that time was about \$4,600?

Mr. SULLIVAN. If you would say so, I dare say that is correct. I don't know.

Mr. KENNEDY. And the Teamsters paid \$40,000 for the land.

Mr. SULLIVAN. Yes, sir.

Mr. KENNEDY. Do you know if during that period of time the 1300 Broadway Corp. from whom the Teamsters purchased this land, do you know if they had a financial transaction about that time with a company which was owned, in part, by the prosecuting attorney?

Mr. SULLIVAN. I would have no knowledge of that at all.

I have nothing to do with the 1300 Corp. or nothing to do with the private affairs of the prosecutor.

Mr. KENNEDY. Do you know anything about the State Sibley Corp.?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. Do you know what financial transactions the 1300 Broadway Corp. had with the State Sibley Corp.?

Mr. SULLIVAN. No, sir; nothing at all.

Mr. KENNEDY. You know nothing about that?

Mr. SULLIVAN. Nothing at all.

Mr. KENNEDY. You didn't know that there was a financial transaction going on simultaneously with this purchase of land by the Teamsters?

Mr. SULLIVAN. No, sir.

Mr. KENNEDY. And you wouldn't tell us whether you discussed the problems or the difficulties of the Carpenters with Mr. Sawochka?

Mr. SULLIVAN. It isn't, Mr. Kennedy, that I wouldn't. I can't. I am an attorney. I dare not, or I would breach my relationship with my client.

Mr. KENNEDY. If there was anything improper or illegal in this transaction, in your own activity, you play a major role yourself, Mr. Sullivan. In fairness to yourself, I would think you would want to answer these questions. As you point out, the restitution of the money was done through you.

You say you weren't representing the Carpenters' Union or any official of the Carpenters. You would have the information that would throw a great deal of light on this subject.

Do you have anything to say?

Mr. SULLIVAN. Well, I didn't regard that as a question. I regard that as a statement by yourself.

Mr. KENNEDY. Well, I am asking you now, do you have anything to say about it?

Mr. SULLIVAN. Nothing at all, sir. I am at peace with my conscience and with my relationship as a lawyer.

Mr. KENNEDY. That is all, Mr. Chairman.

The CHAIRMAN. Do you have any questions, Senator Curtis.

Senator CURTIS. No; I think not.

The CHAIRMAN. All right. You may stand aside for the present. Call the next witness.

Mr. KENNEDY. Mr. O. William Blaier.

The CHAIRMAN. Mr. Blaier, come forward, please.

You do solemnly swear that the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BLAIER. I do.

### TESTIMONY OF O. WILLIAM BLAIER, ACCOMPANIED BY COUNSEL, HOWARD TRAVIS

The CHAIRMAN. State your name, your place or residence, and your business or occupation.

Mr. BLAIER. Oscar William Blaier. My legal voting residence is Philadelphia. I maintain an apartment here in Washington, D. C. I am in the capacity as second general vice president of the United Brotherhood of Carpenters and Joiners of America.

The CHAIRMAN. You have your counsel present, Mr. Blaier?

Mr. BLAIER. Yes, sir.

The CHAIRMAN. Counsel, identify yourself for the record, please?

Mr. TRAVIS. Mr. Chairman, my name is Howard Travis, from Indianapolis, Ind., with offices at 1011 Fletcher Trust Building. I would like to make a statement, if I may?

The CHAIRMAN. I don't know what you want to make. Is it some motion?

Mr. TRAVIS. No, Senator McClellan. I have been advised by counsel for the committee that no personal matters other than the duties of Mr. Blaier as an officer of the Brotherhood of Carpenters, would be inquired into, except certain transactions that might have been incurred between him and the Penn Products Co. or Mercury Oil Co. As I stated to the committee in executive session a couple of weeks ago,

Mr. Blaier is one of the defendants in an indictment in Marion County, Ind., involving certain transactions in Lake County, Ind.

With the assurance that there are no questions going to be asked on that subject, I have advised Mr. Blaier that he is perfectly free to testify as to the Penn Products or Mercury Oil transactions without waiving any rights he might have to refuse to testify to other personal matters.

The CHAIRMAN. Is Mr. Blaier under indictment?

Mr. TRAVIS. He is.

The CHAIRMAN. The subject matter of the indictment will not be gone into, if he feels that it might jeopardize his defense. I don't know just what matters counsel has to interrogate him about. We can proceed and if we reach some points where you have anything you wish to address the Chair about, you may feel at liberty to do so.

I can't anticipate, I have no idea what his testimony is going to be.

Mr. TRAVIS. I would like to have the understanding with counsel of the committee that the only personal products would be Penn Products and Mercury Oil, as I was told the day before yesterday.

Mr. KENNEDY. I didn't tell you that.

Mr. TRAVIS. Mr. Tierney.

Mr. KENNEDY. He said he didn't.

The CHAIRMAN. All I can say is that we will go into anything within the jurisdiction of this committee, about which we think the witness may have information, and can give testimony regarding except where, even though the committee may be interested in it, the matter may be covered by our jurisdiction, and would be clearly within the purview of these hearings, if the witness is under indictment for the offense for which he was indicted, we shall not interrogate him about that.

If he feels that might jeopardize his defense, we recognize that, where he is under indictment he should not be compelled to be a witness against himself on the subject matter involved in the indictment. That rule or policy will be observed.

Proceed with the interrogation and we can rule upon anything that comes up.

Mr. TRAVIS. My problem, if I may interrupt, Senator, again, is that I cannot let my client open the door to testifying as to all personal matters if we don't have an understanding concerning the matters for which he is under indictment and matters relating thereto which may have occurred after the specific events for which he is indicted.

The charge is a conspiracy charge, and the indictment charge is a conspiracy charge, and it is very clear under Indiana criminal law that events which happen after the specific event charged in the indictment might be used by the prosecution to show the origin and continuance of the indictment, to relate it back.

The matters that have been inquired about today in the hearing relate, to my mind, directly to the matters, to the transaction, for which he is indicted.

The CHAIRMAN. I have no way of knowing what is going to happen. I don't want to make any commitments or agreements here, other than what I have said. We have done that heretofore, and I made the general statement as a matter of policy of the committee, and I think it is the correct policy of the committee. I don't know what he is going



to be asked. You will have to give him such counsel as you feel under obligation to as his attorney.

Proceed, Mr. Kennedy.

Mr. KENNEDY. I can say, Mr. Chairman, I have no intention of going at all into the matters for which Mr. Blaier is presently under indictment, namely the road situation out in Indiana.

The CHAIRMAN. Is that what he is indicted for, some activity in connection with that?

Mr. KENNEDY. With the purchase of property and the sale back to the State for excessive and exorbitant profits. We don't expect to go into that matter.

Mr. TRAVIS. Mr. Chairman, I think it would be helpful if a copy of the indictment were placed in the record. I have one here.

The CHAIRMAN. We will not place it in the record. It may be made exhibit No. 47, for reference.

(Document referred to was marked "Exhibit No. 47" for reference and may be found in the files of the Select Committee.)

Mr. KENNEDY. You are second general vice president of the Carpenters?

Mr. BLAIER. Yes, sir.

Mr. KENNEDY. How long have you held that position?

Mr. BLAIER. Since 1952, January.

Mr. KENNEDY. You were appointed at that time?

Mr. BLAIER. At that time I was appointed.

Mr. KENNEDY. And subsequently you were elected at a convention in November 1954?

Mr. BLAIER. That is right, sir.

Mr. KENNEDY. Did you have any opposition at that time?

Mr. BLAIER. I had no opposition.

Mr. KENNEDY. What position did you hold prior to the time you became second vice president?

Mr. BLAIER. I was a member of the general executive board, representing the second district.

Mr. KENNEDY. Were you appointed to that position?

Mr. BLAIER. In 1948 I was appointed to succeed William K. Kelly and elected in the 1950 convention by acclamation.

Mr. KENNEDY. You had no opposition?

Mr. BLAIER. No, sir.

Mr. KENNEDY. What does the second district cover, what areas?

Mr. BLAIER. New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, and the District of Columbia.

Mr. KENNEDY. When did you first met Mr. Max Raddock?

Mr. TRAVIS. At this point, Mr. Kennedy and Mr. Chairman, I would like it understood distinctly that the question may be answered on the condition that it will not relate to anything transpiring in Lake County, Ind. There is no question that the witness has known Mr. Raddock for many years, but in view of the line of questioning that has gone on today, the questions could lead to a direct inquiry into the matters for which Mr. Blaier is under indictment.

The CHAIRMAN. The Chair will sustain that to the extent of the indictment, the matters covered in the indictment. I will not sustain it beyond that.

Mr. TRAVIS. Matters occurring after the event?

The CHAIRMAN. If they are unrelated to the things contained in the indictment, yes. A man could be indicted up there, or could be under indictment, for one offense, and might subsequently commit another, or commit some inpropriety or violation of trust, as we are often inquiring into here, and still would have no relation to the subject matter contained in the indictment.

Therefore, I couldn't excuse a witness from testifying about other things.

Mr. KENNEDY. Mr. Chairman, Mr. Raddock, as I understand it, is not under indictment in the conspiracy with Mr. Blaier, at least as of this time.

Mr. TRAVIS. This witness is under indictment, Mr. Kennedy, and his rights must be protected and preserved.

Mr. KENNEDY. This is a question on the relationship with Mr. Raddock, and as I understand it Mr. Raddock is not under indictment at the present time in connection with a conspiracy with Mr. Blaier.

Mr. TRAVIS. I have no knowledge about Mr. Raddock.

Mr. KENNEDY. We are just asking about Mr. Raddock. I am sure he can answer those questions.

Mr. TRAVIS. If the inquiry will relate to transactions in Lake County, Ind., the witness will be advised by me that he cannot answer the questions, because he is charged with conspiracy under indictment, and anything with regard to that, restitution or otherwise, is directly related, and could be used by the prosecution, possibly, against him.

The CHAIRMAN. Proceed with the questions.

Counsel can represent his client as he wishes to.

Mr. KENNEDY. How long have you know Mr. Raddock?

Mr. BLAIER. On the advise of counsel, I refuse to answer the question, Mr. Chairman, and Mr. Kennedy, on the grounds that it relates solely to a personal matter not pertinent to any activity which this committee is authorized to investigate, and also because it might aid the prosecution in the case in which I am under indictment.

Mr. KENNEDY. Mr. Chairman, as far as the first objection, I would like to ask Mr. Blaier about serving on a committee of the Carpenters which was to handle the negotiations and the interest of the Carpenters' Union in connection with Mr. Raddock regarding a book that Mr. Raddock was expected to write and produce. That would appear to be very much union business.

Mr. TRAVIS. That, Mr. Kennedy, is very pertinent to your investigation, and if the questioning will be limited to that in connection with the relations between this witness and Mr. Raddock, I will advise him to answer your questions.

Mr. KENNEDY. We found that Mr. Raddock got an overwhelming profit, and excessive profit, or what appears to be.

The CHAIRMAN. He says he would advise him to answer.

Mr. TRAVIS. If it is limited to the Carpenter—

Mr. KENNEDY. But I am not restricted with regard to further questions. I want to make sure that is understood, Mr. Chairman.

The CHAIRMAN. We will proceed to ask the witness about the book matter.

Mr. TRAVIS. I want it understood we are not waiving our right to object later to the Lake County matter.

The CHAIRMAN. You are not waiving your rights beyond that. As the Chair advised you, any time you think the rights of your client

are being invaded, you may make your objection and the Chair will rule on it.

Mr. TRAVIS. Thank you, Mr. Chairman. I will instruct Mr. Blaier to answer the question.

Mr. KENNEDY. Mr. Blaier, do you know Mr. Raddock?

Mr. BLAIER. I do.

Mr. KENNEDY. For how long have you known him?

Mr. BLAIER. I believe I first got acquainted with Mr. Max Raddock in December 1953.

Mr. KENNEDY. Was that in connection with Mr. Raddock possibly writing or authoring and producing a book on Mr. Hutcheson?

Mr. BLAIER. It was.

Mr. KENNEDY. Were you appointed at that time to a subcommittee to handle the negotiations for the Carpenters?

Mr. BLAIER. No, sir; not at that time.

Mr. KENNEDY. Subsequently were you appointed to such a subcommittee?

Mr. BLAIER. No; not in the sense that you direct the question. I was never appointed on a subcommittee to talk to him about publishing of the book.

Mr. KENNEDY. Were you ever on any committee, subcommittee, that was to handle the negotiations, handle the book generally for the Carpenter's Union?

Mr. BLAIER. Mr. Kennedy, I have to answer it this way—

Mr. KENNEDY. Just explain what your position was and we will move along.

Mr. BLAIER. If you will bear with me in my humble explanation of what transpired, that will lead into what you are asking, I believe.

Mr. KENNEDY. All right, fine.

Mr. BLAIER. In December 1953, from memory I am quoting, Mr. Raddock was presented to the resident officers in Indianapolis where we discussed with him the probability of publishing a biography of our late departed and loved general president-emeritus William L. Hutcheson. I want to take this time now to say to you that for previous years, many of those concerned in the United Brotherhood had requested the late departed William L. Hutcheson to have a biography made, and he always refused.

Mr. KENNEDY. Mr. Blaier, I don't want to go into all of that right now.

Mr. BLAIER. I will stop there.

Mr. KENNEDY. If we could just move along, then you could get on and off quickly.

Mr. BLAIER. Yes, sir. And then after that meeting there was a proxy vote taken from our board members as to whether or not we would go into the publishing of 6,000 books on the biography of William L. Hutcheson. At our board meeting following that December meeting at the general office, with the resident officers, and after the proxy vote, the general executive board in its entirety, discussed the matter with Mr. Raddock.

We felt, and I speak of the entire board at that time—some have departed since—we felt that at that time we should produce an article outstanding, a book, a memorial to William L. Hutcheson, and, if possible, add some of the history.

Mr. Raddock at that time had along with him, a Dr. Rayber or Grayber, who, at that time, started to interview various members of the board. Then we had a subsequent meeting in May in Chicago in 1954. At that time, Mr. Raddock came before the board again and advised that in his research, he required additional funds, because we had, from our February meeting, and then again in the May meeting, decided that we should include a history of the United Brotherhood of Carpenters and Joiners of America.

What brought that about, if you permit me——

Mr. KENNEDY. I think you have given me the background.

Mr. BLAIER. I had one little point, if you allow me, that might add to it.

Mr. KENNEDY. I want to be fair.

Mr. BLAIER. Our late general secretary-emeritus had that assignment to prepare the history of the brotherhood for many, many years, and never completed it, and then it was reassigned to the late departed general secretary Fisher, and he never got to it, and that is why we added it to this book.

Mr. KENNEDY. Did you go to any other individual to find out whether they would write such a book and how much they would charge for this service?

Mr. BLAIER. Not to my knowledge.

Mr. KENNEDY. Did you go to any publisher to find out how much it would cost to print such a book?

Mr. BLAIER. You are asking if I did?

Mr. KENNEDY. Well, you, or anybody to your knowledge.

Mr. BLAIER. I have no knowledge of what our General Secretary Fisher or anybody else on the board did.

Mr. KENNEDY. Did you have anything else to do with the book, other than being on the executive board?

Mr. BLAIER. No, sir.

Mr. KENNEDY. You weren't on the board or committee that was considering the book and which was to carry on discussions with Mr. Raddock?

Mr. BLAIER. Later on I served on a committee.

Mr. KENNEDY. When was that?

Mr. BLAIER. I was never on the committee about the book, other than in a full board action.

Mr. KENNEDY. I thought you said later on you served on such a committee.

Mr. BLAIER. Well, I came to this point where we advanced him some money. I was on that committee as a subcommittee. That was back in February, 1955, I believe, sir.

Mr. KENNEDY. You were on that committee; is that right?

Mr. BLAIER. Yes, sir.

Mr. KENNEDY. And you agreed to advance him \$200,000 at that time?

Mr. BLAIER. No, sir.

Mr. KENNEDY. How much?

Mr. BLAIER. \$100,000, I believe, sir.

Mr. KENNEDY. \$100,000?

Mr. BLAIER. Yes, sir.

Mr. KENNEDY. How many books was he to produce for that?

Mr. BLAIER. 56,000.

Mr. KENNEDY. Was he to get another \$100,000 once he produced the 56,000 books?

Mr. BLAIER. It was understood; yes, sir.

Mr. KENNEDY. As of that time, \$50,000 toward that total of \$200,000 had already been paid to him on January 31, 1955?

Mr. BLAIER. How much?

Mr. KENNEDY. January 31, 1955, you had already paid him, the Carpenters had already paid him \$50,000.

Mr. BLAIER. We gave him \$50,000 on research.

Mr. KENNEDY. No; you gave him \$50,000 January 8 and May 18, 1954, you gave him \$25,000 on each occasion, that is \$50,000, and then another \$50,000 on January 31, 1955.

Where did you get permission to give him that \$50,000?

Mr. BLAIER. From the action of our board in a February meeting.

Mr. KENNEDY. How could you get approval on February 14 for paying a check that is dated January 31?

Mr. BLAIER. Well, there was a reason I presume by the general treasurer and secretary to date it January 31, but if you look on the back of it, it was transmitted to him by our late departed general secretary, I believe somewhere in the neighborhood of February 14 or 15, when he got the other \$50,000. He got the \$100,000 at that one time.

Mr. KENNEDY. On February 14?

Mr. BLAIER. I believe that is close enough, Mr. Kennedy.

Mr. KENNEDY. Why was the check made out some 2 weeks prior to the time you had approval of it?

Mr. BLAIER. I don't know.

Mr. KENNEDY. Then you approved, then, of giving him \$100,000 then and \$100,000 when he produced the rest of the books. Did you try to find out how much it would actually cost to produce a book, publish a book?

Mr. BLAIER. Well, if you will permit me—

Mr. KENNEDY. I don't know what I am going to permit you to do, I will ask you to answer the question.

Mr. BLAIER. If you will permit me to answer it in my way, I think we have a wonderful product in that book. That is my opinion, as a member of the general executive board. I heard Mr. Christie as of yesterday—

Mr. KENNEDY. That wasn't the question.

Mr. BLAIER. I want to give you my opinion, Mr. Kennedy.

Mr. KENNEDY. I didn't ask you that. I didn't ask you your opinion. I will ask your opinion, if you want me to. First, answer the question as to whether you found out or went to any individual companies, groups, or organizations to find out how much it would cost for you to get such a book published.

Mr. BLAIER. Mr. Kennedy, no. We are not literary artists or are we book reviewers; no, sir. We had faith in Mr. Raddock, and I still have it, that he gave us a good product, and we have 80,000 books, and I think we have value received.

Mr. KENNEDY. We have had testimony before. That, of course, is not your money, Mr. Blaier. It is the Carpenter's money.

Mr. BLAIER. That is right.

Mr. KENNEDY. We have testimony before the committee that this book could have been produced at less than a dollar a copy, while you paid Carpenter's money of \$4 a copy.

Mr. BLAIER. Can I answer that?

Mr. KENNEDY. Yes.

Mr. BLAIER. I noticed today in the New York Times that Mr. Loftus has an article there that this so-called Empire of Wood sells for \$5.50, produced by Cornell University. I feel our book is far superior than that.

Secondly, when you build a building, which I know something about, and the architect designs it, the second building can certainly be designed much cheaper than the first one.

Mr. KENNEDY. This is a question of producing the book. If you had gone to an independent book publisher, you could have gotten this book published and sent out for a dollar a copy. You paid \$4 a copy. And later on, \$5 a copy.

Mr. BLAIER. Well, I don't believe that yet, Mr. Kennedy.

Mr. KENNEDY. It is sworn testimony before the committee. That is all Mr. Raddock paid for it.

Mr. BLAIER. Well, the committee and Mr. Christie, I only heard his testimony yesterday—

Mr. KENNEDY. This has nothing to do with Mr. Christie. This is on the question of the cost of the book.

Mr. BLAIER. This other man who made the quotation might have been biased.

Mr. KENNEDY. This is what Mr. Raddock paid for it. He didn't do it himself. He sent it out. How do you explain that?

Mr. BLAIER. I wouldn't know that at the time we ordered the book.

Mr. KENNEDY. That is the point. You didn't go to anybody to find out how much you could have gotten the book for? While you have been working for the Carpenters' Union, have you also had some outside interest, business interests.

Mr. BLAIER. Very little.

Mr. KENNEDY. Did you work for the Mercury Oil Corp.?

(Witness conferred with counsel.)

Mr. BLAIER. Mr. Kennedy, that is a long time ago. Yes; I represented them indirectly.

Mr. KENNEDY. What were you doing for them?

Mr. BLAIER. Well, I, like everybody else, tried to supplement my income back in 1950 or 1951, I believe it was.

Mr. KENNEDY. 1951, 1952, and 1953; was it not?

Mr. BLAIER. No, sir; 1952 and 1953 I received, perhaps, dividends or commissions from what I had performed or tried to perform in 1951. I went to Indianapolis in January 1952 and, therefore, wasn't able to follow the venture.

Mr. KENNEDY. You continued to receive money from the Mercury Oil Company in 1952 and 1953; did you not?

Mr. BLAIER. Yes, sir; I believe it ended in early 1953.

Mr. KENNEDY. What were you doing for the Mercury Oil Corp.?

Mr. BLAIER. Well, it so happens that my good friend, and, like Senator McClellan, I hope he recovers early, brother Charles Johnson, Jr., of the United Brotherhood, opened an avenue for me to try to supplement my income by procuring, if possible, some orders on

oil and grease sold as a product by the Penn Products Co. and the Mercury Oil Corp.

Mr. KENNEDY. Who owned those businesses?

Mr. BLAIER. At that time, I was acquainted with a Mr. Ed Weiss. I didn't know who owned it. I don't know the members of the firm.

Mr. KENNEDY. Did Mr. Johnson, Charlie Johnson, the vice president of the Carpenters, work for these oil companies at that time?

Mr. BLAIER. Well, I believe he represented them, and I believe he had an interest in it, because he was good enough, as I tried to say, that he even advanced me money as an incentive to go and try and bring about a volume of orders, through some friends of mine, that maybe don't even employ my membership.

Mr. KENNEDY. Did you go to some of these corporations to try to sell this oil?

Mr. BLAIER. I tried several and I wasn't very successful. I am a poor salesman, I guess.

Mr. KENNEDY. Did you ultimately get successful?

Mr. BLAIER. No; I didn't.

Mr. KENNEDY. You were never successful?

Mr. BLAIER. I didn't sell an account.

Mr. KENNEDY. And they paid you commissions anyway?

Mr. BLAIER. I got the commission, as I tried to say, out of the goodness of Mr. Johnson sharing with me his accounts, as an incentive to try to go out and procure more orders. That was one contract; yes, sir.

Mr. KENNEDY. And you got commissions in 1951 for \$3,525, and expenses, according to our records, of \$2,014.25, making a total of \$5,539.25. What did you do for that?

Mr. BLAIER. Well, I was endeavoring to get more accounts, even on that project, through contacts that I had with engineers' representatives and workmen, national mechanics, and whatnot. But I was not successful, as I said before.

Mr. KENNEDY. Did you approach the Walsh Construction Co., of Morrisville, Pa.?

Mr. BLAIER. Mr. Kennedy, the Walsh Construction and Perrini Co. and the Slattery Co. and Groves Co. was the one that had the account, which was an account of Charles Johnson at that time.

Mr. KENNEDY. Did you discuss that with any officials of the Walsh Construction Co.?

Mr. BLAIER. No, sir. I introduced Ed Weiss to Mr. Jack Murphy, their superintendent, and I asked Mr. Murphy if he wouldn't try to use his influence with some of the other men around the job and try to get Mr. Ed Weiss the sale.

Mr. KENNEDY. Did he?

Mr. BLAIER. I don't think he was successful, no, sir.

Mr. KENNEDY. Then in 1952, they paid you \$3,817.44 for commissions and \$196 for expenses, for a total of \$4,413.44. In 1953, \$1,410.38 for commissions. That makes a total for 1951, 1952, and 1953, of \$11,363.07. They are not going to pay you that just for doing nothing.

Mr. BLAIER. Mr. Kennedy, it might be hard to believe but I just told you my good friend Charlie Johnson shared his commissions with me.

Mr. KENNEDY. Do you know how Mr. Charlie Johnson got into that company?

Mr. BLAIER. No, sir; I don't.

Mr. KENNEDY. Do you know that he was put in there by Mr. Phillip Weiss?

Mr. BLAIER. No, sir.

Mr. KENNEDY. Do you know that this company does most of its work with contractors who have contracts with the Carpenter's Union?

Mr. BLAIER. I understood that that company services many companies on a competitive basis, sir.

Mr. KENNEDY. And most of their customers are companies that have contracts with the Carpenters' Union?

Mr. BLAIER. Well, they might have it with some carpenters, employ some carpenters, but the majority of their employees are not carpenters.

Mr. KENNEDY. No; but the companies to whom this oil company sells its products, are companies who have contracts with the Carpenters' Union; isn't that right?

Isn't that right? Then you can answer.

Mr. BLAIER. Well, most building contractors employ carpenters. I can answer it that way.

Mr. KENNEDY. Most of the customers of these oil companies are building contractors; are they not?

Mr. BLAIER. Well, Mr. Kennedy, I don't know this list of contractors, honestly.

Mr. KENNEDY. You know that to be a fact, that most of the companies with whom they do business are companies that have contracts with the Carpenters' Union.

Mr. BLAIER. I have to answer you, Mr. Kennedy, that I do know of some building contractors but I don't know the list of their customers, honest.

Mr. KENNEDY. Then you know of a number of companies that have contracts with the Carpenters' Union?

Mr. BLAIER. I did at that time, sir; yes, sir.

Mr. KENNEDY. The Walsh Construction Co. certainly has contracts with Carpenters' Union; do they not?

Mr. BLAIER. I believe they are a fair employer; yes, sir.

Mr. KENNEDY. And the Perrini Bros.?

Mr. BLAIER. Yes, sir.

Mr. KENNEDY. Who was the third one?

Mr. BLAIER. At that time it was a joint venture of four contractors, Mr. Kennedy, Slattery, and I believe Groves was the other one.

Mr. KENNEDY. Don't they also have contracts with the Carpenters' Union?

Mr. BLAIER. They, as international builders, come into a territory and work the conditions of the local union and they are considered fair contractors; yes, sir.

They don't necessarily sign in every area they go into.

Mr. KENNEDY. Were you aware that there was a jurisdictional strike going on at the time, in 1951, in this Morrisville project of the Walsh Construction Co.?

Mr. BLAIER. Not with the Carpenters; no, I don't know of any.

Mr. KENNEDY. A jurisdictional strike between the Carpenters' Union and the Iron Workers?



Mr. BLAIER. Well, there was no strike, sir, that I know of.

Mr. KENNEDY. Well, a jurisdictional dispute.

Mr. BLAIER. There was differences, there always is, and they were adjudicated.

Mr. KENNEDY. Was this at the same time you were approaching them to try to get them to take some of the oil from this company?

Mr. BLAIER. No; I think that was long afterward. I believe my last adjustment there was in and around prior to my going to Indianapolis. It might have been in November.

Mr. KENNEDY. What year?

Mr. BLAIER. 1951.

Mr. KENNEDY. You are exactly right. November of 1951.

Mr. BLAIER. That was about the last time I processed anything on that particular project, sir. If I may, I just want to get into the record that I don't do any negotiating for that job, for conditions or agreements. That was done by the district council itself.

Mr. KENNEDY. Would you identify this letter, please?

The CHAIRMAN. The Chair hands you a photostatic copy of a letter dated March 2, 1950, addressed to "Dear Billy:" and signed Henry W. Blumenberg. It is on Henry W. Blumenberg's stationery. Will you examine the photostatic copy and state if you identify it?

(The document was handed to the witness.)

Mr. BLAIER. I believe that I was recipient of that original letter.

Mr. KENNEDY. You were?

Mr. BLAIER. I believe so.

Mr. KENNEDY. That letter may be made exhibit No. 48, for reference.

(The document referred to was marked "Exhibit No. 48" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Who was Henry W. Blumenberg?

Mr. BLAIER. Henry W. Blumenberg, the writer of that letter was at one time a representative of the United Brotherhood of Carpenters and Joiners of America.

Mr. KENNEDY. In what city?

Mr. BLAIER. Well, he was a general representative and he was assigned to various areas.

For the greatest part of his time, to my knowledge, in the latter part of his employment, he was in around Baltimore, Washington, and Virginia; Washington, D. C., I mean.

Mr. KENNEDY. Is he still in the Carpenter's Union?

Mr. BLAIER. No, sir.

Mr. KENNEDY. How long has he been out of the Carpenters?

Mr. BLAIER. Well, I don't have exact knowledge of that, but I would say he was expelled maybe in 1947, I would say.

Mr. KENNEDY. What were the circumstances surrounding his expulsion, briefly?

Mr. BLAIER. I believe it had to deal with a matter in Baltimore, in 101, local union 101, and the international union. I have no knowledge as to the reasons of his expulsion, sir.

Mr. KENNEDY. Was he and several of his colleagues supposed to have misappropriated some \$250,000 from that local?

Mr. BLAIER. Mr. Kennedy, I can't answer that, whether he was charged with that or not.

Mr. KENNEDY. Isn't that how much money was missing from the local, approximately, \$250,000?

Mr. BLAIER. Well, I will put it this way, I think that local union through court and what not was reimbursed for approximately that much.

Mr. KENNEDY. Who reimbursed the local union?

Mr. BLAIER. I believe the international union. That is prior to my time of being on the board. I believe that was in 1944, I believe—

Mr. KENNEDY. I have some questions about this letter, Mr. Chairman.

Could I give you a little bit of background about local 101?

Mr. Blaier, you correct me if I am wrong.

The CHAIRMAN. The statement is a background statement. It will not be evidence, but it will serve as a premise for interrogation of the witness.

Mr. KENNEDY. On October 3, 1927, all Baltimore local unions of the Brotherhood of Carpenters except the colored locals were consolidated and merged with local 101. General Representatives Henry W. Blumenberg appointed all officers of the local, which proceeded to function under his general supervision.

There had been several unsuccessful attempts by local 101 to get permission for an election of its own officers.

Then on March 27, 1943, some 16 years later, Hutcheson instructed Blumenberg to survey the existing conditions of local 101 and to report whether an election should be held.

Then, later in 1943, Blumenberg reported to the local membership that a partial election of officers would be held.

In June of 1943, the election was held, and a man by the name of Hanson was elected president. On July 26, 1943, at a meeting of local 101, Hanson accused Blumenberg of having charged personal purchases to the local and having put the paramour of his son on the local payroll as a chauffeur.

There was a committee appointed to investigate. Then the financial secretary resigned later on in 1943. In 1944, a suit was filed in Marion County, Ind., against the United Brotherhood of Carpenters by local 101 to recover the funds embezzled by Blumenberg and the financial secretary during the trusteeship, whose name was Ford. Then in May of 1945 the lawsuit was settled by the Brotherhood agreeing to pay the local \$244,038.30 as reimbursement for the shortages which had occurred.

Then on February 8, 1946, Hutcheson filed suit against Blumenberg and Ford to recover for the brotherhood certain citrus groves owned by Blumenberg and Ford, on the theory that the money they had used to purchase the groves could be traced directly to 101's funds. This lawsuit was later settled. That brings us up to this letter that is dated March 2, 1950, Mr. Chairman.

Would you read that, Mr. Tierney?

Mr. TIERNEY. The letter is dated March 2, 1950.

It is headed "Dear Billy."

The first paragraph has nothing to do with the merits.

I had hopes of getting to Lakeland myself while the board was in session, as Judge Routzohn had promised me some time in January that he was going to be in Lakeland the week of February 20, and that he would contact me to see if we could not reach a settlement as to the 101 matter. But like all other

promises it was just talk. No doubt, it was just to gain more time to sell all the groves, so I could not ask for the return of some, as on February 24 I got the list of groves that the brotherhood had put on the market for sale.

I got the entire list from one of those who got it and they are all mine as well as Ford's groves. Well that's O. K. with me. I never was a squealer and don't want to be one now. But if some settlement is not made with me shortly I will have to, and come out with it as to who were all in on the 101 matter. That is \$30,000, the only one I know anything about, and that was divided in three ways.

Here are some of the questions that may have to be answered:

Why was I told not to get a lawyer as Ford did, that the brotherhood's lawyers would take care of my interests?

Why was I told to stay away from Baltimore so that Jacobs could not serve any papers on me?

Why was I told not to come to court when the case was being heard?

Why was I asked to sign over my groves just for the time being so that they could get Ford to sign his over and thereby get the case settled out of court?

Why was my name the only one used mostly in the papers as to the \$240,000 shortage Mr. Jacobs claimed there was, when in fact I knew of only \$30,000 that was divided by 3?

Why was Ford permitted to keep the \$90,000 in cash and war bonds that Mr. Jacobs found in a safe-deposit box in Baltimore as well as a home in Miami, Fla., when the brotherhood should have attached same the same as banks do in like cases?

Why did Mr. and Mrs. Ford tell others, "Oh, Nelson don't have to worry about anything; Mr. Hutcheson said he will take care of him"?

Now, if Ford had somebody else in with him and the other party got just as much as Ford did, why then the shortage of \$240,000 that Mr. Jacobs claimed there was must be about right, for the \$90,000 and the home at Miami, about \$15,000, makes \$105,000, and the same to the other party makes \$210,000 that I knew about makes \$240,000.

Now, why was I expelled from the brotherhood without notice of charges or time and place of trial? And the other party that got \$10,000 the same as I did out of the \$30,000 is still an officer and member of the brotherhood? Where is the living up to the brotherhood's constitution in this case?

Now, Bill, all this will not look good in the newspapers if made public, even if the other party denies it, the same as Maurice said to me at the time he ordered me to bring the minute book of the executive board of local 101 to him in Indianapolis, and when I gave it to him (the biggest mistake I ever made) "Now don't tell any one that I got this book, as Jacobs wanted it," as he would deny it.

Well, he can, but I still have the bills from the Columbia Club showing that Maurice had made the reservation for me. The board was in session at that time and he told me not to go out so that none of the board members could see me as they would want to know what I was doing in Indianapolis. I also took a number of notes out of said book as to the actions that were taken by the board in re the \$10,000 that I delivered to the other party, and though the secretary of the board is dead the other members of the board can still vouch that those notes are correct as to their action.

Well, Billy, I think that is enough of this chatter, but I thought it best to let you in on it so you would know the score if it comes up, for I sure will want the \$10,000 back that I turned over to the other party. For the groves I turned over I paid about \$25,000 for them so with the other party not returning his share of it I am not going to pay for it, and want it back.

(At this point, Senator Goldwater entered the hearing room.)

Mr. KENNEDY. Mr. Blaier, what steps did you take after you received this letter from Mr. Blumenberg?

Mr. BLAIER. I did nothing other than send the original to the late departed brother William L. Hutcheson.

Mr. KENNEDY. You never discussed it with anyone?

Mr. BLAIER. No, sir.

Mr. KENNEDY. Did you make an inquiry to find out who the other party was that got the \$10,000?

Mr. BLAIER. Prefacing the answer "no" is because I understood from the convention proceedings and whatnot, that that had all been settled in court, and Mr. Blumenberg was up in years and I felt that he

was only addressing that to me as a new member of the general executive board. At that time I had no other interest other than being a member of the brotherhood and an international representative. When it was settled in court and restitution made, I did nothing more about it.

Mr. KENNEDY. Here he says—

Now, why was I expelled from the brotherhood without notice or charges of time and place of trial and the other party that got \$10,000, the same as I did out of the \$30,000, is still an officer and member of the brotherhood?

Mr. TRAVIS. Is that the letter that was just introduced?

Mr. KENNEDY. That is right.

Where is the living up to the Brotherhood's constitution in this case?

Did you inquire into that?

Mr. BLAIER. No, sir.

Mr. KENNEDY. You weren't interested?

Mr. BLAIER. For the same reasons I just told you.

Mr. KENNEDY. You weren't interested in finding out what the answers to these questions were?

Mr. BLAIER. Because it was settled, and he was a participant. I believe it was settled in court.

Mr. KENNEDY. He indicated clearly in this that this was a fix within the Carpenters, that he was going to take the responsibility and blame, and that there were financial arrangements with other officials of the Carpenters. Did you look into that at all?

Mr. BLAIER. No, sir. I just explained why. Restitution was made to local 101 through the court, as I understand it, two-hundred and some thousand dollars.

Mr. KENNEDY. You wouldn't want an official of the Carpenters who stole or embezzled \$10,000 of union funds not to be known, would you?

Mr. BLAIER. Mr. Kennedy, be assured that I know the trust that my members, over 800,000, have placed in me for many years, and I wouldn't betray that trust. But something like that I had no way of interjecting myself into. It was already settled by the courts.

Mr. KENNEDY. Did you ever make any arrangements for Mr. Max Raddock to fix any case for you in Indiana?

Mr. BLAIER. No, sir.

Mr. TRAVIS. May the witness withdraw that answer, please?

Mr. KENNEDY. Excuse me?

Mr. BLAIER. That was a fast switch. On the advice of counsel I refuse to answer the question on the ground that it relates solely to a personal matter not pertinent to any activity which this committee is authorized to investigate, and also because it might aid the prosecution in the case in which I am under indictment.

Mr. KENNEDY. Did Mr. Raddock have anything to do with this matter in Indiana in connection with your not being indicted in Lake County?

Mr. BLAIER. Mr. Kennedy, on the advice of counsel, I refuse to answer the question on the ground that it relates solely to a personal matter not pertinent to any activity which this committee is authorized to investigate, and also because it might aid the prosecution in a case in which I am under indictment.

Mr. KENNEDY. Mr. Blaier was in the hotel in Chicago at the same time as Mr. Raddock, according to the records.

The CHAIRMAN. I believe the testimony before the committee is that you were at the hotel, the Drake Hotel, in Chicago, on August 17, at the same time that Mr. Raddock was there, about which he was interrogated this morning.

Would you want to give us any information about that?

Mr. BLAIER. Senator McClellan, no.

The CHAIRMAN. That would come within the purview of your previous statement as to why you do not want to testify?

Mr. BLAIER. Yes, sir.

The CHAIRMAN. We have here what purports to be the original hotel account of your stay there at that time. If you say it relates to the matter about which you are under indictment, of course, I will not insist, then, that you answer the question.

Mr. TRAVIS. Mr. McClellan, I believe it does, Senator, and I will have to instruct the witness not to answer.

Mr. KENNEDY. Mr. Chairman, so we understand, this has nothing to do—

The CHAIRMAN. I thought this related to the matter of the indictment.

Mr. KENNEDY. No. Their indictment concerns certain transactions that they had with the State of Indiana in connection with certain property, the purchase of the property, then, and then the reselling of the property back to the State.

This has to do with the activities of Mr. Raddock, Mr. Charlie Johnson, which also has nothing to do with the indictment, Mr. Hoffa, Mr. Sawochka, and other individuals, Mr. Holovachka, in connection with attempts, through improper means, to keep them from being indicted in Lake County, Ind., and it has nothing to do with the merits of the indictment, per se.

This is when they were up in Chicago.

The CHAIRMAN. They are not indicted for attempts to obstruct justice?

Mr. KENNEDY. That is correct.

The CHAIRMAN. They are indicted for offenses with respect to a conspiracy to defraud the State of Indiana, is that correct?

Mr. KENNEDY. That is correct.

The CHAIRMAN. I have not looked at the indictment. Is that a fair statement?

Mr. TRAVIS. No, sir. The indictment is in two counts. One is a conspiracy to commit a felony, to wit, bribery of a State official, and a second count of bribery of a State official. I wish to say at this time that it is my responsibility as attorney for this gentleman in the case under which he is under indictment, to advise him whether or not I think the questions which Mr. Kennedy is asking and is going to ask with regard to Lake County could be used in that prosecution, and my responsibility will be carried out by advising this witness to answer no questions.

The CHAIRMAN. The Chair finds that the indictment is an indictment for conspiracy to commit a felony, to wit, bribery of State officers, and the actual bribery of State officers. Those are the two charges.

If this transaction in Chicago relates to that indictment, I will not order the witness to answer the question.

Mr. KENNEDY. It does not relate to the indictment. It relates to steps taken in a later conspiracy to present an indictment in Lake County, Ind. It has nothing to do, once again, with the facts surrounding the purchase and reselling of the lands. This involves entirely different individuals. Max Raddock is not under this indictment, nor is Mr. Charles Johnson, Mr. Holovachka, Mr. Sawochka or Mr. Hoffa.

I can understand that the witness will not want to answer the questions on the grounds it may tend to incriminate him, but not because he is under indictment or that I am asking questions dealing with the indictment, because I would not do that.

The CHAIRMAN. I will go this far with it. I will present you the hotel bill and ask you to examine it and state if you identify it.

Mr. TRAVIS. With all due respect to you, Mr. Kennedy, as an able lawyer, I disagree with what you have said.

The CHAIRMAN. It may be a borderline case. I am unable to determine it at this time. The witness can exercise his privilege.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. TRAVIS. Is there a question before the witness at this time?

The CHAIRMAN. There is the question of the bill at the Drake Hotel, at the time the Chair referred to. I believe it to be August 17, 1957. I presented it to the witness and asked him to examine it and state if he identifies it. That is in the nature of a question.

Do you identify it?

Mr. BLAIER. Senator McClellan, on the advice of counsel, I refuse to answer the question on the ground that it relates solely to a personal matter, not pertinent to any activity which this committee is authorized to investigate and also because it might aid the prosecution in the case in which I am under indictment.

The CHAIRMAN. The Chair finds that the indictment is for alleged actions in 1956 that the crimes charged under the indictment took place.

This is something like a year later. If you want to exercise your privilege, that is all right. But I do not know how this could be related to an offense that was committed a year earlier. It could be by indirection, but certainly not directly, if the indictment is anywhere near accurate.

Mr. TRAVIS. Indirection, Mr. Chairman, can be just as harmful as a direct matter.

The CHAIRMAN. This hotel bill may be made exhibit No. 49, for reference.

(The document referred to was marked "Exhibit No. 49" for reference and may be found in the files of the select committee.)

The CHAIRMAN. The witness was presented with the copy.

Proceed.

Mr. KENNEDY. Mr. Blaier, did you take a trip to Europe in the last few years?

(The witness conferred with his counsel.)

Mr. BLAIER. I had the honor in 1956, Mr. Kennedy, to represent the American worker or the United States worker at the ILO conference in Geneva, Switzerland, representing President Eisenhower, Secretary of Labor Mitchell, the A. F. of L., and the United Brotherhood.

Mr. KENNEDY. Did the Government then pay your expenses over there?

Mr. BLAIER. Sir?

Mr. KENNEDY. Did the Government pay for your trip over to Europe?

Mr. BLAIER. No, sir.

Mr. KENNEDY. Did they advance you any money?

Mr. BLAIER. They did when I got finished in Geneva.

Mr. KENNEDY. How much money did you receive from them?

Mr. BLAIER. In Geneva?

Mr. KENNEDY. How much money did you receive from the United States Government in connection with the trip?

Mr. BLAIER. Approximately \$1,100, paid in Geneva.

Mr. KENNEDY. Did you receive any money from the Carpenters in connection with that trip?

Mr. BLAIER. They paid for my transportation. I did not receive any money.

Mr. KENNEDY. How much money did they advance for you?

Mr. BLAIER. Mr. Kennedy, I don't have those figures with me, but I would approximate it to be around—with the travel, I believe it would be around \$3,800, or thereabouts.

Mr. KENNEDY. Is that all the money they advanced to you?

Mr. BLAIER. Well, I had my salary and my per diem.

Mr. KENNEDY. How long were you over there?

Mr. BLAIER. I sailed on May 2, on the French Line, and returned on the Italian Line, if my memory serves me correctly, about June 11.

Mr. KENNEDY. What was the date of the conference?

Mr. BLAIER. I think I allowed 9 days. About May 11 or thereabouts, sir.

Mr. KENNEDY. About May 14 to May 26?

Mr. BLAIER. In around there, sir.

Mr. KENNEDY. And the rest of the time over there was spent in travel, was it?

Mr. BLAIER. I visited trade unions in the interest of the United Brotherhood to ascertain their methods of procedure and whatnot in France, Germany.

Mr. KENNEDY. Was any member of your family with you?

Mr. BLAIER. Mrs. Blaier went along with me, acting more or less as my secretary, social secretary.

Mr. KENNEDY. Did the union pay her expenses?

Mr. BLAIER. Well, it was combined in my travel, when they arranged for our trip.

Mr. KENNEDY. Did the union approve of that, the membership?

Mr. BLAIER. When you say the membership, it was authorized by those in authority in between conventions.

Mr. KENNEDY. Who was that?

Mr. BLAIER. The general executive board.

Mr. KENNEDY. It was taken up with them?

Mr. BLAIER. They approved my going, yes, sir.

Mr. KENNEDY. And the use of the expenses?

The expenses involved in the trip?

Mr. BLAIER. Otherwise I would not have been able to go, sir.

Mr. KENNEDY. That was some \$5,066, was it not?

Mr. BLAIER. I never counted it up, Mr. Kennedy.

Mr. KENNEDY. That is what our records show.

The CHAIRMAN. Have you any questions, Senator Curtis?

Senator CURTIS. I would like to ask you something about this transaction with Henry W. Blumenberg. As I understand it, there was a claimed shortage on the part of the members of this local of some \$240,000. Did the international union pay the local for that shortage?

Mr. BLAIER. Senator Curtis, you understand I was not a member of the general executive board at that time, so I am going by what I can recall as being in the 1946, I believe, general convention notations, where they were reimbursed for something like \$240,000 or \$244,000, yes, by the international.

Senator CURTIS. In other words, the international made good the loss that incurred to the local in that approximate amount?

Mr. BLAIER. Yes, I believe that was it, sir. I don't want to—

Senator CURTIS. How much did the international recover from Mr. Blumenberg or others?

Mr. BLAIER. I am glad that you asked that question, Senator Curtis, because it is my understanding, after I had been on the board, that what they had repossessed from Blumenberg and Ford more than repaid what they had advanced local 101. That is my understanding. I don't know the exact figure, sir, but it is my understanding that it was more than what they had paid.

Senator CURTIS. Were there ever any prosecutions in connection with it, criminal prosecutions?

Mr. BLAIER. Of Mr. Ford and Blumenberg?

Senator CURTIS. Yes, or anybody else.

Mr. BLAIER. I don't know.

Senator CURTIS. Who is this other party that Mr. Blumenberg refers to in his letter?

Mr. BLAIER. I wouldn't know, sir.

Senator CURTIS. How long was this union under trusteeship?

Mr. BLAIER. I did not know that either. I believe Mr. Kennedy read something about up to 1943 or something.

Mr. KENNEDY. 16 years. I believe from 1927 to 1943.

Mr. BLAIER. Where they were under trusteeship all that time, I have no knowledge, sir.

Senator CURTIS. Is it a common practice in the Carpenter's Union to let something go unaudited, in a trustee account, for a period of 15 or 16 years, and let something like over \$200,000 of the workers' money be dissipated?

Mr. BLAIER. I can assure you that is not the policy in a good many years in the past. I don't know how many. We do not have, to my knowledge, any local unions under what you call trusteeship. They never assume it unless the membership in that area made the request.

In everything, I believe you will find that we do have a pretty strict auditing system in the United Brotherhood.

Senator CURTIS. That is all.

The CHAIRMAN. Senator Goldwater?

Senator GOLDWATER. No; I have no questions.

The CHAIRMAN. It is impossible for the committee to conclude this afternoon. I had hoped we could, but the Chair has to leave in the next few minutes. We will have to recess over until in the morning at 10 o'clock.



Are there any witnesses that you can excuse or who will be required here tomorrow?

Mr. KENNEDY. Mr. Hutcheson, I believe, Mr. Chairman. Concerning the money on the Blaier situation, I just wanted to clarify the record, that money, the \$5,000 or so, for the trip for him and his wife, was charged in the books as general officers' expenses, and, of course, he received that money, plus the regular expenses he received from the United States Government.

The CHAIRMAN. Very well.

We will stand in recess until 10 o'clock in the morning.

Mr. TRAVIS. Do I understand that Mr. Hutcheson is my only witness you wish back?

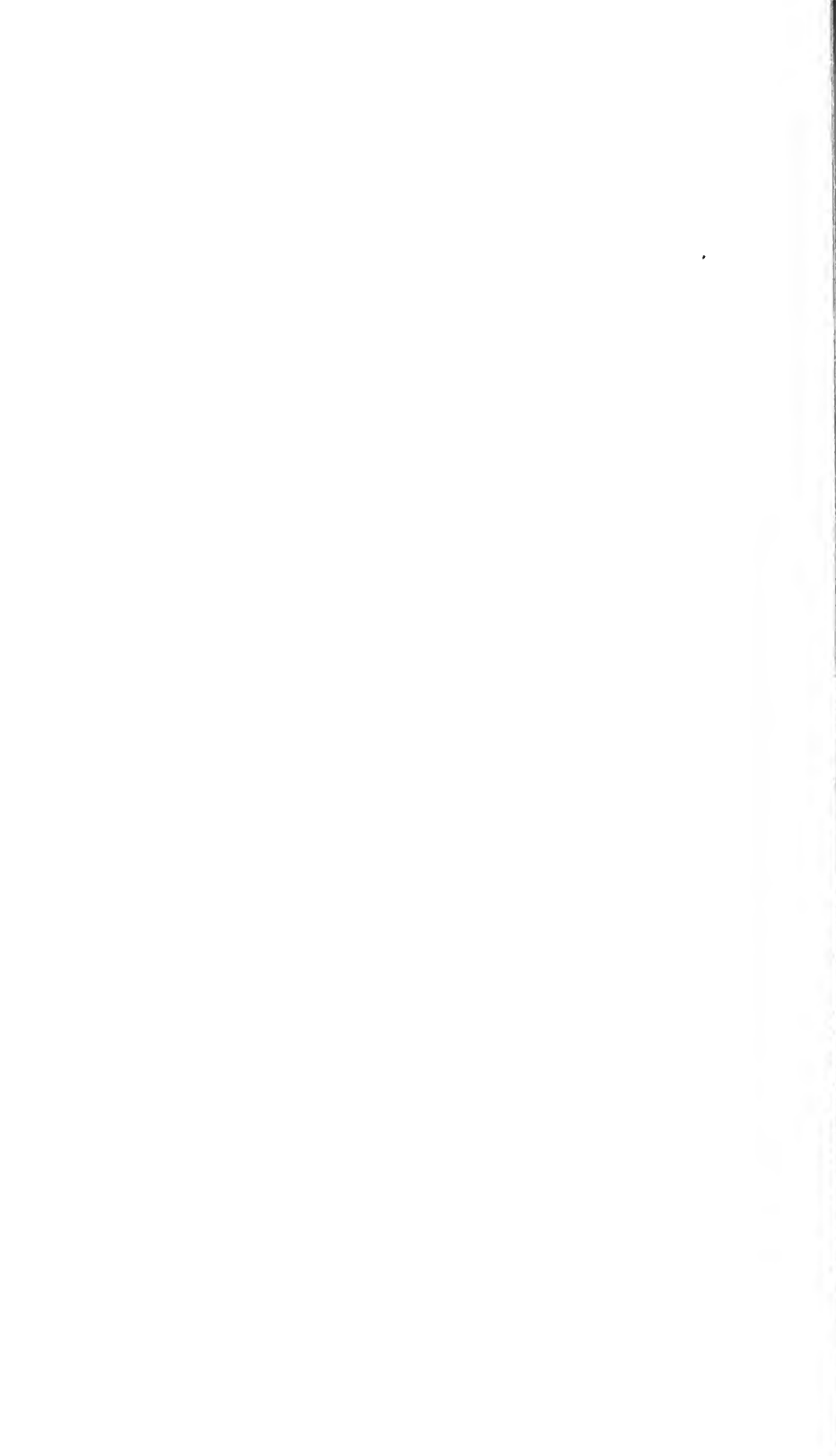
Mr. KENNEDY. Who else do you have here?

Mr. TRAVIS. I guess that is all. Mr. Blaier is discharged?

Mr. KENNEDY. He can leave.

The CHAIRMAN. The committee will now stand in recess until 10 o'clock tomorrow morning.

(Whereupon, at 4:25 p. m. the hearing was recessed, to reconvene at 10 a. m. Friday, June 27, 1958. At this point, the following members were present: Senators McClellan, Goldwater, and Curtis.)



# INVESTIGATION OF IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

FRIDAY, JUNE 27, 1958

UNITED STATES SENATE,  
SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR OR MANAGEMENT FIELD,  
*Washington, D. C.*

The select committee met at 10 a. m., pursuant to Senate Resolution 221, agreed to January 29, 1958, in the caucus room Senate Office Building, Senator John L. McClellan (chairman of the select committee) presiding.

Present: Senator John L. McClellan, Democrat, of Arkansas; Senator Sam Ervin, Jr., Democrat, of North Carolina; Senator Carl T. Curtis, Republican, of Nebraska.

Also present: Robert F. Kennedy, chief counsel; Paul J. Tierney, assistant counsel; John J. McGovern, assistant counsel; Harold Ransstad, investigator; Charles E. Wolfe, accountant, GAO; Karl Deibel, accountant, GAO; John Prinos, accountant, GAO; Richard G. Sinclair, accountant, GAO; Ruth Young Watt, chief clerk.

(At the convening of the session, the following members were present: Senators McClellan and Ervin.)

The CHAIRMAN. The committee will come to order.

Mr. KENNEDY. Mr. Chairman, we have a staff investigator here who is leaving for Europe, with the General Accounting Office, at noon today.

He has some information, some testimony, that he has to give. It is a little out of order, but I would like to put him on if we could at the beginning.

The CHAIRMAN. All right.

Mr. KENNEDY. I will call Mr. Karl Deibel.

## TESTIMONY OF KARL DEIBEL, ACCOUNTANT, GAO—Resumed

The CHAIRMAN. Mr. Deibel, you have been previously sworn during the course of this series of hearings?

Mr. DEIBEL. Yes, Mr. Chairman.

The CHAIRMAN. All right, Mr. Kennedy.

Mr. KENNEDY. Mr. Deibel, I would like to ask you first whether you have made a study of the books and records of the International Brotherhood of Carpenters.

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Have you looked into the financial affairs of certain of the officials of the Carpenters?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. Specifically, did you make a study of the financial records of Mr. Frank Chapman?

Mr. DEIBEL. We did, sir.

Mr. KENNEDY. What was his position with the Carpenters?

Mr. DEIBEL. He was the general treasurer of the United Brotherhood of Carpenters.

Mr. KENNEDY. He was in charge of the funds and moneys of the Carpenters?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. When did he take over that position?

Mr. DEIBEL. He took over in the spring of 1954.

Mr. KENNEDY. We have requested, have we not, to have an interview with Mr. Chapman in connection with some of these matters?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. And he refused to talk to staff investigators?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Now he has submitted a doctor's certificate, Mr. Chairman, which states that he is unable to appear before the committee. But I would like to put these things into the record anyway. We attempted to discuss the matters with him for an explanation, but, as I say, he refused to be interviewed by the staff investigators.

The CHAIRMAN. How many times did you attempt to arrange an interview with Mr. Chapman?

Mr. DEIBEL. We contacted the legal counsel for the Brotherhood, Mr. Chairman, and the counsel suggested originally that they would prefer we keep all of the findings or other matters that we would like to talk with them about until one time, and at one time discuss it. Subsequently, they decided that they would not talk to the committee investigators but would only present their side of the picture in the committee hearings.

The CHAIRMAN. In other words, you undertook to interview Mr. Chapman regarding the matters you are going to testify to?

Mr. DEIBEL. That is correct, Mr. Chairman.

The CHAIRMAN. And he declined the invitation?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. That was on the advice of personal counsel, the second time?

Mr. DEIBEL. Both personal counsel and also the Brotherhood's counsel.

The CHAIRMAN. Also whom?

Mr. DEIBEL. The Brotherhood's counsel.

The CHAIRMAN. All right.

Mr. KENNEDY. He took up residence as general treasurer of the Brotherhood in the spring of 1954, is that right?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. In Indianapolis?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Would you tell us what the financial records show as to his withdrawal of funds at that time?

Mr. DEIBEL. We noted shortly after he took his position in Indianapolis that he was withdrawing sums of money which were supported only by 3 by 5 slips of paper, upon which were written usually the words "withdrawal for petty cash for general treasurer."

These slips bore Mr. Chapman's initials, authorizing the payment of these sums. With Mr. Chapman's approval or authorization, the checks were drawn payable either to Mr. Chapman or to cash.

Mr. KENNEDY. Do you have any samples of those cards?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. Would you show them to the chairman?

Mr. DEIBEL. Yes, sir.

The CHAIRMAN. What are these documents you have passed to the Chair?

Mr. DEIBEL. These documents are—the first document is an authorization to withdraw funds from the Brotherhood as is indicated on the document for petty cash for the general treasurer. The second document is the check drawn on the Brotherhood's funds, and, as I say, some of them are payable to cash, some of them are payable to Mr. Chapman personally, and some are payable to petty cash.

The CHAIRMAN. These documents you passed to the Chair are merely samples of what you found?

Mr. DEIBEL. That is right. I have an additional supply.

The CHAIRMAN. Have you made a compilation with respect to the total amounts?

Mr. DEIBEL. Yes, Mr. Chairman. We found that in the period of May 1954 to January 1956, there was a total of \$8,500 withdrawn in this manner.

The CHAIRMAN. From what period?

Mr. DEIBEL. May 1954 to January 1956.

Mr. KENNEDY. And there is no documentation for any of those withdrawals other than just these small slips which just say "petty cash"?

Mr. DEIBEL. That is correct, and on which Mr. Chapman placed his initials authorizing the payment.

The CHAIRMAN. In other words, he was approving the withdrawal of the cash and making the checks payable to cash and cashing them or making them payable to himself?

Mr. DEIBEL. That is right.

Those checks were then generally taken by an employee of the Brotherhood to the bank, and the cash was withdrawn and given to Mr. Chapman personally.

The CHAIRMAN. You ascertained that?

Mr. DEIBEL. Yes, sir.

The CHAIRMAN. Even where the checks were made to cash, they were sent to the bank by some employee of the Brotherhood and the checks were cashed and the cash returned to Mr. Chapman?

Mr. DEIBEL. That is correct, Mr. Chairman.

The CHAIRMAN. At the conclusion of your testimony, all of these matters may be made exhibit No. 49, in bulk. The whole file with reference to these matters may be made exhibit 49 for reference only. I want the documents as exhibits for further interrogation of other witnesses.

Mr. KENNEDY. From your interviews of the bookkeeper and other officials of the Carpenters, it was understood that this money was going to Mr. Chapman himself?

Mr. DEIBEL. That is correct, Mr. Kennedy.

Mr. KENNEDY. Over and above this, did Mr. Chapman draw expenses?

Mr. DEIBEL. Mr. Chapman also drew, as is the Brotherhood's custom at that time—the amounts have been increased but it is still a custom—to have a per diem allowance when the officer is away from his home station, which was Indianapolis. This amounted to \$15 a day. In addition, Mr. Chapman was also entitled to a daily allowance of \$7.

This \$7 was to cover miscellaneous expenditures, such as luncheons or entertainment of people at the Brotherhood's offices, tips, et cetera. We also found that Mr. Chapman, during this same period of time, withdrew in this manner \$4,400. In addition, we noted that Mr. Chapman held membership in a social club in Indianapolis, Ind., for which the Carpenters paid a large portion of his bills.

During 1955 and January 1956, the Brotherhood paid bills of \$865. During this same period, Mr. Chapman paid from his personal account, social club bills of \$150.

In addition, Mr. Chapman was given a monthly allowance of \$200 to pay for his residence in Indianapolis. During the period of May 1954 through January 1956 this amounted to \$4,200. We also noted that in April 1955 Mr. Chapman withdrew, through the use of a 3 by 5 slip, similar to the one previously introduced, \$650, which was charged on the Brotherhood's records to miscellaneous expense, installation. Also during this period Mr. Chapman's hotel bills away from Indianapolis were paid by the Brotherhood, and these amounted to \$1,430. Therefore, during this—

Mr. KENNEDY. Have you included the \$15 a day that he got while he was away?

Mr. DEIBEL. Right, the \$15 and \$7 a day during this period amounted to \$4,410. Therefore, during the period of time Mr. Chapman withdrew \$25,600 for expenses.

The CHAIRMAN. In addition to these other items?

Mr. DEIBEL. No, this is a total of these items; that would be in addition to his salary, Mr. Chairman.

The CHAIRMAN. How much?

Mr. DEIBEL. \$25,600.

The CHAIRMAN. That is over a period of about 18 months?

Mr. DEIBEL. Approximately 21 months, sir.

Mr. KENNEDY. I think we have left out something. You have the 4,000—

Mr. DEIBEL. You are correct, Mr. Kennedy. The per diem allowance of \$15 a day amounted to \$5,450. The miscellaneous \$7 a day amounted to \$4,400.

Mr. KENNEDY. The \$5,450 is above the \$4,000, the \$7 payment.

Mr. DEIBEL. That is correct.

Mr. KENNEDY. So the total of the petty cash of \$8,500, the miscellaneous allowance of \$4,400, the social club of \$1,000, the incidental expense of \$650, the apartment allowance of \$4,200, the per diem allowance of \$5,450, the hotel of \$1,400, made a total of \$25,600?

Mr. DEIBEL. That is correct, sir.

The CHAIRMAN. What was his salary?

Mr. DEIBEL. His salary was approximately \$20,000 a year.

Mr. KENNEDY. Did Mr. Chapman also take a trip to Europe?

Mr. DEIBEL. Yes. During the fall of 1956 Mr. Chapman made a trip to Europe, partly under the sponsorship of the Italian Government.

The CHAIRMAN. All of the files and documents from which you have testified regarding these expenses, you are now delivering those to the clerk?

Mr. DEIBEL. That is correct.

The CHAIRMAN. They will be made exhibit 50, in bulk, for reference.

(The documents referred to were marked "Exhibit No. 50" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Proceed.

Mr. DEIBEL. We noted in March of 1956 Mr. Meany, president of the A. F. of L.-CIO, advised Mr. Hutcheson, president of the Carpenters Brotherhood, that the Italian Government had extended an invitation to American trade leaders to visit Italy as guests of the Italian Government. The invitation included "all expenses for accommodations, board, and travel within the borders of Italy," and it specifically indicated that transportation to and from Italy would have to be borne by the unions and that the invitation did not include relatives of the union leaders.

Through a series of correspondence, Mr. Hutcheson appointed Mr. Chapman as the representative of the Brotherhood of Carpenters, and also Mr. Chapman's wife was allowed to accompany Mr. Chapman at the union's expense.

In August of 1956, a bill from the Indiana National Bank for \$7,000 was paid by the Brotherhood. This bill represented steamship passage to Europe, air transportation while in Europe; also a land tour.

Mr. KENNEDY. How much was it exactly?

Mr. DEIBEL. \$7,088.40.

Mr. KENNEDY. For how many people?

Mr. DEIBEL. This was for two people, Mr. Chapman and his wife. This was paid by Brotherhood funds.

Shortly thereafter, Mr. Chapman, over his own authorization, wrote a check for \$4,000 to the Indiana National Bank. This check was subsequently converted into traveler's checks.

The CHAIRMAN. Is that in addition to the \$7,000?

Mr. DEIBEL. That is in addition to the \$7,000.

The CHAIRMAN. Making more than \$11,000?

Mr. DEIBEL. Making \$11,000 at this point.

Mr. KENNEDY. What were the traveler's checks?

Mr. DEIBEL. The traveler's checks were made \$3,000 bearing his signature and \$1,000 bearing his wife's signature, for cashing purposes.

Shortly thereafter, August 31, the bank advised Mr. Chapman that they had made an error in their August billing and were increasing the amount of that bill by \$500. So the total bill of the Indiana National Bank was \$7,602.50. On September 10, Mr. Chapman again authorized himself to withdraw \$1,000 payable to the Indiana National Bank. This \$1,000 was converted into American Express traveler's checks. So at this point he had withdrawn \$7,600 payable for this tour, plus \$5,000 in traveler's checks. We noted that Mr. Chapman left the United States about September 20 and returned around December 25.

He visited, in addition to Italy, Switzerland, England, the Vatican City, France, Spain, and Germany. During this period of time, Mr. Chapman charged the Brotherhood with \$15 a day per diem allowance and also the \$7 a day miscellaneous allowance.

The CHAIRMAN. Is that in addition to the other \$7 and \$15 per day that you had accounted for in the \$25,600?

Mr. DEIBEL. That is correct. The previous amount only went up to the period of January 1956. This period we are dealing with now is September 1956 through December 1956, Mr. Chairman.

Mr. KENNEDY. Was that during the whole period of time that he charged the \$15 as well as the \$7?

Mr. DEIBEL. Mr. Chapman charged the Brotherhood for the \$15 a day for approximately 53 days. This was a little more than one-half of the period.

Mr. KENNEDY. What about the \$7.00?

Mr. DEIBEL. The \$7 a day was charged for the entire period.

Mr. KENNEDY. How much would that total?

Mr. DEIBEL. Therefore, the two allowances totaled \$1,370; the traveler's checks totaled \$5,000, and the transportation and land tour charges totaled \$7,600, or a grand total of \$14,070, in addition to whatever expenses were paid by the Italian Government during his stay.

Mr. KENNEDY. How long was he supposed to be in Italy as a guest of the Italian Government?

Mr. DEIBEL. He was to be in Italy—

Mr. KENNEDY. About 3 weeks, was it?

Mr. DEIBEL. Approximately 3 weeks. The latter part of September until the middle of October.

Mr. KENNEDY. So that was \$14,070 above and beyond that?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. Above what the Italian Government paid. Was that broken down so that the membership of the Brotherhood of Carpenters would know how the money was spent?

Mr. DEIBEL. No, sir. The money, the \$7,000 for the transportation and land tour was shown on the financial statements in the general category of transportation expenses of general officers. There was no indication to the membership that this particular \$7,000 was part of Mr. Chapman's personal expense or part of the expense of the travel.

The \$5,000 was also comingled in the brotherhood's statements in such a manner that a member would have no opportunity to be advised of the cost of his trip.

Mr. KENNEDY. Can you find if the executive board approved of the expenditure of this amount of money?

Mr. DEIBEL. We were unable to find the approval in the board's minutes for Mr. Chapman's trip.

Mr. KENNEDY. Did you find that Mr. Chapman included certain of the officers of the brotherhood who had tax deficiencies in 1954?

Mr. DEIBEL. Yes, Mr. Kennedy. We found that in 1954 the Internal Revenue Service assessed certain officers of the brotherhood—

The CHAIRMAN. Just one moment before you go into that. Have you concluded with this European trip?

Mr. DEIBEL. Yes, Mr. Chairman.

The CHAIRMAN. That file may be made exhibit No. 51, for reference.

(The document referred to was marked "Exhibit No. 51" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Now you may proceed with the other.

Mr. DEIBEL. We noted that the Internal Revenue Service assessed certain of the brotherhood's officers for prior year deficiencies. The



brotherhood then paid these deficiencies from their union funds. We noted that Mr. F. Duffy, former general secretary, was assessed \$3,946.80.

Mr. A. E. Fisher, the general secretary at that time, was assessed \$376.61. Mr. S. P. Meadows, the general treasurer at that time, was assessed \$1,552.25.

Mr. KENNEDY. Were those deficiencies all paid for out of the treasury of the Brotherhood of Carpenters?

Mr. DEIBEL. That is correct.

On January 3, 1955, by brotherhood check, Mr. Fisher's deficiency was paid and also Mr. Duffy's, and on January 4, Mr. Meadows' deficiency was paid. We were unable to find—

The CHAIRMAN. That is income tax for these officers that was paid out of union dues?

Mr. DEIBEL. That is correct, Mr. Chairman.

The CHAIRMAN. I wish I had somebody to pay my taxes.

Mr. DEIBEL. We also attempted to find, in the minutes of the brotherhood, authorization for payment of these taxes, and we weren't able to locate any authorization until February 12, 1958, at which time the board of trustees' minutes indicate, and I will quote from the minutes:

The general president called attention to the fact that early in 1954 an audit was made of the information return filed for the year 1952, the 1954 audit was not as complete as the audit now being conducted, as the internal revenue agents were at the time concentrating on expenses paid to several of the resident officers, as a result of the investigation, deficiencies were assessed against former General Secretary Duffy, General Secretary Fisher, and General Treasurer Meadows, that were paid by the brotherhood, in view of the fact that it had always been understood that expenses paid by the United Brotherhood to representatives did not have to be reported to the Internal Revenue Service. The board in session November 11, 1954, approved of these payments, but through inadvertence this action was omitted from the minutes.

Motion to reaffirm our action of November 11, 1954, was approved unanimously.

Mr. KENNEDY. What was the date of those minutes?

Mr. DEIBEL. February 12, 1958.

Mr. KENNEDY. Was that after our investigation of the matter began?

Mr. DEIBEL. Yes, sir.

Mr. KENNEDY. And it was after we requested from the brotherhood what authorization they had secured in order to pay these tax deficiencies?

Mr. DEIBEL. That is correct.

Mr. KENNEDY. And it appeared some 4 years later?

Mr. DEIBEL. That is right.

The CHAIRMAN. That file regarding the income tax payments may be made exhibit 52 for reference.

(The document referred to was marked "Exhibit 52" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. Next is a matter we have not come across, I believe, in any of our other investigations, and that deals with the operation of a business by a labor union and the fact that no taxes are paid on that business. I would like to have Mr. Deibel set before the committee the facts that we have regarding the groves that are owned by the International Brotherhood of the Carpenters in Florida.

Would you tell the committee what we found on that?

Mr. DEIBEL. We had found that the Carpenters' Brotherhood owns approximately 1,900 acres of property in Polk County, Fla.; this property is located near the city of Lakeland. Of these 1,900 acres, approximately 1,000 acres are utilized in raising citrus fruits. The other acres are used for a home for aged members, and the various buildings and facilities necessary to maintain these people.

We found that the citrus groves are administered by the Adams Packing Association of Auburndale, Fla.

Adams pays for all of the grove expenses, picks and hauls the crop, deducts expenses, and remits the proceeds to the Carpenters' Brotherhood.

During the 1955-56 season, the Carpenters' Brotherhood's groves were the second largest customer of Adams.

During the seasons 1954 through 1957, the Carpenters have received a net return upon these groves of \$890,000. This is broken down: 1954, they received \$301,897; 1955, \$145,116; 1956, \$219,571; 1957, \$224,503.

The CHAIRMAN. Is that net?

Mr. DEIBEL. That is net proceeds to the Carpenters.

The CHAIRMAN. In other words, that is after all expenses have been deducted?

Mr. DEIBEL. After all expenses have been deducted.

The CHAIRMAN. Has any tax been paid on those amounts?

Mr. DEIBEL. We have found that the brotherhood has not considered this as income for tax purposes.

The CHAIRMAN. I wonder if the other farmers down there have to pay taxes? Did you find out about that?

Mr. DEIBEL. I understand that the Carpenter officials, certain Carpenter officials, or former officials, also own groves which are serviced by Adams, and the income is reported for tax purposes.

The CHAIRMAN. Maybe the Internal Revenue Bureau would be interested in this.

Mr. DEIBEL. I believe the Internal Revenue Service is presently very interested, Mr. Chairman.

The CHAIRMAN. Are they also active?

Mr. DEIBEL. Yes, sir.

The CHAIRMAN. All right.

Does that conclude your testimony regarding that?

Mr. DEIBEL. I believe so.

The CHAIRMAN. That file may be made exhibit No. 53, for reference.

(The document referred to was marked "Exhibit No. 53" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. I think that is all.

This is, of course, income that has nothing to do with the Carpenters' Union itself. It is an independent operation.

Mr. DEIBEL. That is correct. This is for citrus groves and hardly related to the activities of the Carpenters.

Mr. KENNEDY. And a competitor in that area is any ordinary businessman who operates a citrus grove. He would have to pay taxes on that, so it is a tremendous competitive advantage; is it not?

Mr. DEIBEL. Yes, sir; very definitely.

The CHAIRMAN. Thank you very much. I understand you are leaving for an overseas assignment.

Mr. DEIBEL. Yes, sir, Mr. Chairman.

The CHAIRMAN. The Chair on behalf of the committee personally wishes to thank you for the splendid service you have rendered, the assistance you have given us, and the competency of your work.

You have been very helpful. We wish you a pleasant journey and that your assignment and new duties will be pleasant.

Mr. KENNEDY. He is going to Paris, Mr. Chairman. He has been one of the outstanding people we have had working with us.

The CHAIRMAN. Thank you very much, Mr. Deibel.

Call the next witness.

Mr. KENNEDY. Mr. Hutcheson.

The CHAIRMAN. Be sworn, please, sir. You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HUTCHESON. I do.

### TESTIMONY OF MAURICE A. HUTCHESON, ACCOMPANIED BY HOWARD TRAVIS, COUNSEL—Resumed

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. HUTCHESON. M. A. Hutcheson, general president, United Brotherhood of Carpenters and Joiners of America, Indianapolis, Ind.

The CHAIRMAN. Thank you very much. Mr. Hutcheson, you have counsel with you. Counsel, identify yourself for the record, please.

Mr. TRAVIS. My name is Howard Travis, Indianapolis, Ind. I have offices at 1011 Fletcher Trust Building. Mr. Chairman, the witness has informed me that the bright spotlight is distracting to him, and I would like to request that it be turned off.

The CHAIRMAN. Well, we will turn them off if the witness cooperates with us, and I assume he is going to cooperate with the committee. For the present, you may turn off the lights.

Mr. TRAVIS. Thank you, Mr. Chairman.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. TRAVIS. I should like—

The CHAIRMAN. The purpose, of course, of granting such a request is that the witness is endeavoring to testify and to testify accurately and truthfully, and that if the lights are a detraction it might interfere with his concentration it is only proper that they be turned off.

I have taken the position, and the committee has sustained me, that it does not take a great deal of concentration simply to read a statement that "If I told the truth, it might tend to incriminate me." We would like to defer to every reasonable request and grant it.

But we must reserve the right to determine what is reasonable and what is not, under the circumstances.

Mr. TRAVIS. I want to assure the committee that Mr. Hutcheson will not resort to the guaranties of the fifth amendment, and I would like to correct an impression that was apparently gained by the newspapers yesterday as to Mr. Blaier.

It was not Mr. Blaier's intention in his refusal, as I drafted it, to rely on the fifth amendment. I feel that there are other guaranties that a man under indictment has, including the due-process-of-law

clause, that he must be tried only before the court where the indictment is pending.

I would like to repeat for the record this morning, that it is a well-known fact that this witness was, together with others, indicted on February 18, 1958, by the grand jury of Marion County, Ind., and such indictment is now pending in Marion County criminal court, division No. 1, cause No. CR 19429Y, and such indictment has not yet been tried.

The indictment is on two counts.

The CHAIRMAN. Mr. Counsel, is that the same indictment that was presented yesterday?

Mr. TRAVIS. Yes, Mr. Chairman. That is the indictment which has been tendered to the committee.

The CHAIRMAN. We will keep that in mind.

(At this point, Senator Curtis entered the hearing room.)

Mr. TRAVIS. The indictment refers to transactions occurring in connection with the sale of lands to the State of Indiana for the construction of the so-called tri-State expressway in Lake County, in the vicinity of Gary.

It is also well known that, in connection with that alleged transaction certain moneys were paid to the State of Indiana prior to the return of the indictment. The alleged transactions are purely personal. I submit, therefore, that any inquiry by this committee into or about any of the facts related to or which might be related to such indictment and the transactions recited therein, however remote the same may be, and whether occurring before or after the transaction recited in the indictment, or as to any matter which might be attempted to be used in furtherance of the prosecution thereof, would be improper, without appropriate pertinency and outside the scope of the investigation which this committee is authorized to make.

It would violate and impair this witness' rights as an American citizen and would be contrary—excuse me, Mr. Chairman, I feel ill.

May I have a recess, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. Hutcheson, you may accompany your counsel, if you wish.

(At this point, the following members were present: Senators McClellan, Ervin, and Curtis.)

(Brief recess taken.)

(At the reconvening of the session, the following members were present: Senators McClellan, Ervin, and Curtis.)

The CHAIRMAN. The committee will come to order.

Mr. KENNEDY. Mr. Chairman, we have another witness, on a matter which is somewhat unrelated.

The CHAIRMAN. Mr. Hutcheson, you may be excused from the witness stand temporarily. We have another witness that we can proceed with until you determine about your counsel as to whether he can continue.

Call the witness.

Mr. KENNEDY. Mr. Katz.

The CHAIRMAN. Be sworn, please; you do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

## TESTIMONY OF A. MARTIN KATZ

The CHAIRMAN. State your name, your place of residence, and your business or occupation.

Mr. KATZ. A. Martin Katz, Gary, Ind., practicing attorney and city judge.

The CHAIRMAN. You waive counsel, do you?

Mr. KATZ. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Katz, you are the treasurer of the State Sibley Corp.?

Mr. KATZ. Yes, sir.

Mr. KENNEDY. Where is that located?

Mr. KATZ. In Indiana, in Hammond, Ind.

Mr. KENNEDY. Hammond, Ind.?

Mr. KATZ. Gary, Ind., I suppose, now.

Mr. KENNEDY. Mr. Chairman, I would like to have Mr. Sinclair ask a few questions to set the stage on this and get the preliminaries.

The CHAIRMAN. Mr. Sinclair, you may interrogate the witness.

Mr. SINCLAIR. Mr. Katz, please state your position in connection with the State Sibley Corp.

Mr. KATZ. I am the secretary-treasurer.

Mr. SINCLAIR. Please identify the other officers in the State Sibley Corp.

Mr. KATZ. Albert Weinstein is the vice president. At the present time, the office of president is not filled.

Mr. SINCLAIR. When was this corporation formed?

Mr. KATZ. I believe in 1953. Do you have a copy of the article which I have previously given to you?

Mr. SINCLAIR. No, I don't have.

Mr. KATZ. August 10, 1953.

Mr. SINCLAIR. When did your group buy into this corporation?

Mr. KATZ. In April of 1956.

Mr. SINCLAIR. April 1956?

Mr. KATZ. Yes.

Mr. SINCLAIR. What did you pay for your interest in the corporation?

Mr. KATZ. One dollar.

Mr. SINCLAIR. Please identify the group who purchased this corporation.

Mr. KATZ. Weinstein, Holovachka, and myself.

Mr. SINCLAIR. Would you furnish the full names to the committee?

Mr. KATZ. Metro M. Holovachka, Albert E. Weinstein, and Martin Katz.

Mr. SINCLAIR. What were their occupations at the time they purchased it?

Mr. KATZ. Mr. Holovachka is an attorney. Mr. Weinstein is a businessman.

Mr. SINCLAIR. Would you further identify Mr. Holovachka?

Mr. KATZ. I beg your pardon?

Mr. SINCLAIR. Would you give us a complete identification of Mr. Holovachka? Was he holding a county office at the time?

Mr. KATZ. He was prosecutor of Lake County, Ind.

Mr. SINCLAIR. And he purchased a one-third interest in this corporation?

Mr. KATZ. We each purchased 100 shares.

Mr. SINCLAIR. And for the 100 shares he paid 33½ cents, is that right?

Mr. KATZ. No. I think he paid a dollar.

Mr. SINCLAIR. So there was \$3 paid for the corporation?

Mr. KATZ. It may be. I don't recall.

Mr. SINCLAIR. Who actually held the stock in this corporation after the group you were with—

Mr. KATZ. Do you mean the stock certificates?

Mr. SINCLAIR. That is right.

Mr. KATZ. The stock certificates are held by the State Sibley Realty Corp., who are the owners of the improvement on the land which is owned by the Merchants Improvement Corp., and the improvement consists of the building which is located on there, and which has been for some time.

Mr. SINCLAIR. So the stock was assigned at the time that it was purchased?

Mr. KATZ. Yes.

Mr. SINCLAIR. Then you received no stock certificates as such?

Mr. KATZ. Merely the assignment.

Mr. SINCLAIR. What have been the earnings of the State Sibley Corp. since your group purchased it?

Mr. KATZ. Profits, are you referring to?

Mr. SINCLAIR. That is right.

Mr. KATZ. No profits.

Mr. KENNEDY. And it had been losing money prior to the time you purchased it?

Mr. KATZ. It had been losing money in the sense that it was not making any. Everything that was being taken in from the operation, at least in the rental of the building, was being used to retire the contract indebtedness on the building.

In other words, at the time it took the building over, in 1953, they reduced the outstanding debt on the building by \$28,000 or \$29,000.

They did that from the moneys that were received in rental, or they may have made loans to make the payments as they came due.

Mr. SINCLAIR. What commercial loans were procured during the period 1956 to the present?

Mr. KATZ. There was a loan for \$30,000 in order to pay for a new boiler installation. I think that was in 1956, in the fall of 1956. Two boilers and the furnace ran in the neighborhood of \$28,000, but \$30,000 was required in order to pay for that.

Mr. SINCLAIR. What contributions have the incorporators made to the corporation?

Mr. KATZ. Since that date?

Mr. SINCLAIR. Since your group acquired the stock?

Mr. KATZ. My best recollection is it is \$12,000.

Mr. SINCLAIR. \$12,000 each or in total?

Mr. KATZ. Each.

Mr. SINCLAIR. What occurred in the summer of 1957 that caused your group to seek additional financial support for in this corporation?

Mr. KATZ. Well, it was not in the summer of 1957. It was 6 or 7 months prior to that. We could see that we were unable to obtain any tenants. We had lost two tenants in the building, and the building was not paying for itself and paying off the contract. We had to seek additional tenants in order to have a sufficient amount of money coming in to make the payment for the contract payments as they came due. We could see that we were not able to develop it and exploit the building to its most advantageous use. So we tried to interest somebody in either taking a piece of the building or taking the whole building and developing it. We talked to several people about developing it.

Mr. SINCLAIR. Would you identify those you contacted please?

Mr. KATZ. I beg your pardon?

Mr. SINCLAIR. Would you identify these people, for the record?

Mr. KATZ. Well, I talked to Mr. Levenberg, Mr. Norman Levenberg, Mr. Charles Gleuck, Mr. Sam Ennis, and I talked to various county officials.

I thought the county might be able to use the building for storage or possibly for some office space.

Mr. SINCLAIR. Did Mr. Levenberg and Mr. Gleuck of the 1300 Broadway Corp. express some interest in the building at that time?

Mr. KATZ. Yes; they did. They did, I would say in the very early part of 1957.

Mr. SINCLAIR. Did they make a proposal to you at that time and offer either a financial or a plan for improvement of this property?

Mr. KATZ. Yes.

Mr. SINCLAIR. In writing?

Mr. KATZ. What time are you referring to?

Not when we first began talking about it, no, but in September, I believe it was, they did.

Mr. SINCLAIR. Would you identify the firm with which Mr. Gleuck and Mr. Levenberg are associated?

Mr. KATZ. Well, they have several down there.

Mr. SINCLAIR. Do you know the parents' name?

Mr. KATZ. No; I don't.

Mr. SINCLAIR. Would the 1300 Broadway Corp. refresh your memory?

Mr. KATZ. They may be, I don't know—

Mr. SINCLAIR. Mid-City Investments, Inc.?

Mr. KATZ. Possibly. That is how I know them, in connection with Mid-City. I don't know what other corporations.

Mr. SINCLAIR. Now, in August of 1957, what occurred in your negotiations with Mr. Levenberg and Mr. Gleuck?

Mr. KATZ. I think it was in August they thought they had found somebody that was interested in the building, and they gave me \$1,000 as good faith money, earnest money, whatever you want to call it.

Mr. SINCLAIR. Was this \$1,000 in cash given you as earnest money around August 27, 1957?

Mr. KATZ. I don't recall whether it was in cash, but I received \$1,000.

Mr. SINCLAIR. In September of 1957, did you execute an assignment of stock?

Mr. KATZ. In September?

Mr. SINCLAIR. In September of 1957.

Mr. KATZ. I don't think it was in September.

Mr. SINCLAIR. Would this refresh your your memory?

The CHAIRMAN. The Chair presents to you a document for your examination. See if you can identify it, and, if you do, whether it refreshes your memory with respect to the matter the counsel is interrogating you about.

(The document was handed to the witness.)

Mr. KATZ. I have this document. This was not a stock transfer. This was the option to buy and agreement to sell.

The CHAIRMAN. All right, Mr. Counsel.

Mr. SINCLAIR. You recognize that document, do you not?

Mr. KATZ. Yes, sir.

Mr. SINCLAIR. That was executed September 26, 1957, for the assignment of \$14,000 worth of stock.

Mr. KATZ. No; this isn't an assignment. This is an option to buy and an agreement to sell.

Mr. SINCLAIR. An option to buy and an agreement to sell, \$14,000 worth of stock of State Sibley?

Mr. KATZ. 100 shares of the common stock of said corporation.

And one-third of all the notes payable.

Mr. SINCLAIR. On September 27, 1957, did you receive a check for \$5,000?

Mr. KATZ. I received a check for \$5,000. That may be the date. I don't recall the exact date.

The CHAIRMAN. The Chair presents to you a check payable to you on the Gary National Bank, Gary, Ind., signed by L. Stillman, a cashier's check, dated September 27, 1957; I ask you to examine it and state if you identify it.

(The document was handed to the witness.)

Mr. KATZ. That is the date on the check. I would think that I received it on that date.

The CHAIRMAN. That check may be made exhibit No. 54.

(The document referred to was marked "Exhibit No. 54" for reference and will be found in the appendix on p. 12188.)

The CHAIRMAN. I present to you another check made payable to you on the same bank, signed M. Rutherford, a cashier's check, in the amount of \$8,000, dated November 27, 1957. I ask you to examine that check and state if you identify it.

(The document was handed to the witness.)

Mr. KATZ. I don't recall your question, sir, but I think—

The CHAIRMAN. State if you identify that check, if you received it.

Mr. KATZ. Yes; I received this check.

The CHAIRMAN. All right, that may be made exhibit No. 54A.

(The document referred to was marked "Exhibit No. 54A" for reference and may be found in the appendix on p. 12189.)

Mr. KENNEDY. This check dated September 27, 1957, is a cashier's check, is it not?

Mr. KATZ. I think it was. I don't have the check here.

Mr. KENNEDY. It says that the remitter of this check is Joseph E. Kopcha?

Mr. KATZ. I think that is what it says.

Mr. KENNEDY. This is also a cashier's check dated November 27, 1957, for \$8,000. It states on here from Gary National Bank that the



remitter is Joseph E. Kopcha. Was he in fact the remitter of this money?

Mr. KATZ. As far as I know he was.

Mr. KENNEDY. Did this money in fact come from him?

Mr. KATZ. I don't know who it came from. I just received the check.

Mr. KENNEDY. Do you know if a man, and he is a doctor in Gary, Ind., actually put up \$14,000?

Mr. KATZ. I don't know.

Mr. KENNEDY. Don't you know that the money did not come from him?

Mr. KATZ. I don't know that; no, sir.

Mr. KENNEDY. Well, you were handling the negotiations, you were conducting and participating in the negotiations to try to sell this interest. Joseph E. Kopcha was not involved in that; was he?

Mr. KATZ. Involved in the negotiations?

Mr. KENNEDY. Yes.

Mr. KATZ. No; I negotiated with Mr. Levenberg.

Mr. KENNEDY. Isn't it a fact that the money came from Mr. Levenberg?

Mr. KATZ. The check came from Mr. Levenberg, sir.

Mr. KENNEDY. What is the explanation, if it came from Mr. Levenberg, what is the explanation of putting Mr. Joseph Kopcha's name on the check?

Mr. KATZ. I didn't put it on there, sir.

Mr. KENNEDY. What was the explanation given to you as to why the name appeared on the check?

Mr. KATZ. I never asked.

Mr. KENNEDY. It would appear to anybody examining this transaction that this money had come from a man, a doctor, in Gary, Ind., by the name of Joseph E. Kopcha, when, in fact, it didn't come from him at all.

It came from Mr. Levenberg, isn't that right?

Mr. KATZ. I don't know.

Mr. KENNEDY. You were conducting the negotiations with Mr. Levenberg?

Mr. KATZ. That is right.

Mr. KENNEDY. He is the one that said he was going to buy the interests?

Mr. KATZ. No; he didn't.

Mr. KENNEDY. Didn't he agree, ultimately, and his corporation or his group, that they would put up the money?

Mr. KATZ. No, sir; not to me.

Mr. KENNEDY. How did you find out that you were going to sell the third interest?

Mr. KATZ. How did I find out?

Mr. KENNEDY. Yes.

Mr. KATZ. I was negotiating with Mr. Levenberg.

Mr. KENNEDY. Didn't he finally agree to do it?

Mr. KATZ. He never represented that he was dealing for himself.

Mr. KENNEDY. Who did he say he was dealing for?

Mr. KATZ. Dr. Kopcha.

Mr. KENNEDY. For Dr. Kopcha?

Mr. KATZ. And a group.

Mr. KENNEDY. He told you Dr. Kopcha?

Mr. KATZ. Yes. He mentioned his name to me.

Mr. KENNEDY. Who else did he say he was dealing for?

Mr. KATZ. He didn't.

Mr. KENNEDY. He never told you?

Mr. KATZ. No, sir.

Mr. KENNEDY. He never told you where the money came from?

Mr. KATZ. Nor, sir. I know where the checks came from. I don't know where the money for the checks came from.

Mr. KENNEDY. Who did the check come from?

Mr. KATZ. Who gave me the checks?

Mr. KENNEDY. Yes.

Mr. KATZ. Mr. Levenberg, to my best recollection.

Mr. KENNEDY. Where did the money ultimately go? Did it say in the State Sibley Corp.?

Mr. KATZ. No; It went to Mr. Holovachka.

Mr. KENNEDY. The checks were then made out to Mr. Holovachka?

Mr. KATZ. No; I think the last check I endorsed directly to him, and the other check was paid out through my own personal trustee account to him.

The CHAIRMAN. I hand you here an original check made to Metro M. Holovachka, dated October 29, 1957, in the amount of \$6,000, signed by you, on the Gary National Bank, of Gary, Ind. I ask you to examine that check and state if you identify it.

(The document was handed to the witness.)

Mr. KATZ. Yes, sir.

That is the check that I gave to Mr. Holovachka on October 29.

The CHAIRMAN. Was that out of or part of the proceeds of the other checks here, the 1 for \$5,000 and the 1 for \$8,000?

Mr. KATZ. No. No; the \$8,000 check, I think, I endorsed directly. Or if it was made out to me I may have cashed it and gave it to him.

The CHAIRMAN. It is part of the proceeds about the transaction about which you have been testifying?

Mr. KATZ. This \$6,000 check?

The CHAIRMAN. Yes.

Mr. KATZ. Yes, sir.

Mr. KENNEDY. It is the \$1,000 in cash he received plus the \$5,000 in the check; is that right?

Mr. KATZ. Well, you said cash. I really don't recall if that was cash or another check.

Mr. KENNEDY. All right.

The first money that was put up. The \$8,000 check——

The CHAIRMAN. Let this check for \$6,000 be made exhibit 55.

(The document referred to was marked "Exhibit No. 55" for reference and will be found in the appendix on p. 12190.)

Mr. KENNEDY. This second check of \$8,000 you endorsed right over to Mr. Holovachka; is that right?

Mr. KATZ. I either endorsed it directly to him or I cashed it and gave him the cash. He received the proceeds from the check. I don't recall exactly which of the two I did.

Mr. KENNEDY. So through this transaction, let me understand this, Mr. Holovachka had a one-third interest in the State Sibley Corp.; is that right?

Mr. KATZ. It amounted to that; yes, sir.

Mr. KENNEDY. For that one-third interest, he had, with two other individuals, put up a dollar?

Mr. KATZ. Yes.

Mr. KENNEDY. And he had also invested some \$12,000; is that right?

Mr. KATZ. Yes, sir.

Mr. KENNEDY. And this corporation had not been successful, had not been making money; is that correct?

Mr. KATZ. Well, I wouldn't say it had not been successful. I would say it had not been making any money.

Mr. KENNEDY. Well, along the line of business, success being whether it is making money, it was not making money at that time. It was not successful at that time.

Mr. KATZ. The way you put it, I suppose that would be a correct statement.

Mr. KENNEDY. So for his interest, for which he had paid either a dollar or 33 cents, he was paid some \$15,000; is that right?

Mr. KATZ. No; that is not true at all.

Mr. KENNEDY. You explain it, then.

Mr. KATZ. You have explained it yourself. You said he put in \$12,000.

Mr. KENNEDY. The \$12,000 was an investment that he had made, and the corporation, as I understand it, was not making any money and was not successful at that time.

Mr. KATZ. He was paid back his investment plus a \$2,000 profit on his investment or on his loan to the corporation.

Mr. SINCLAIR. Mr. Katz, I have before me a statement of earnings of the State Sibley Corp. Isn't it true that for the period July 1, 1957 to September 20, 1957, the corporation lost \$5,000?

Mr. KATZ. Well, I don't know what you are looking at, sir.

The CHAIRMAN. I will ask counsel, where did you obtain that statement?

Mr. SINCLAIR. Mr. Katz supplied the statement to the committee.

The CHAIRMAN. Mr. Katz, did you supply to the staff a financial statement of this corporation?

Mr. KATZ. I supplied them with several documents, Senator.

The CHAIRMAN. I will hand you this document and ask you if you supplied that to the staff this morning.

(The document was handed to the witness.)

Mr. KATZ. Yes; I think I did.

The CHAIRMAN. What is that?

Mr. KATZ. This is a balance sheet as of September 20, 1957, of the State Sibley Corp.

The CHAIRMAN. What does it show with respect to profit or loss? Well, that document may be made exhibit No. 56.

(The document referred to was marked "Exhibit No. 56" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Mr. Katz, what does the financial statement show with respect to profit or loss?

Mr. KATZ. I am trying to find it, Senator. I don't see the figure on here.

Mr. SINCLAIR. Under the surplus section you will find the figure.

Mr. KATZ. On the first page?

Mr. SINCLAIR. Yes.

Mr. KATZ. Do you mean earned surplus? It shows a figure here of earned surplus \$5,005.99.

Mr. SINCLAIR. Is that an earning or deficit?

Mr. KATZ. It shows earned surplus. Well, I don't know what it is. The accountant has it as earned surplus.

Mr. SINCLAIR. It is earned surplus, but it is shown as a deduction from the capital stock account, which is \$25,000, which would indicate that there had been a loss for that period. Do you agree with that, Mr. Katz?

Mr. KATZ. Well, I don't know.

Mr. KENNEDY. Mr. Katz, the point was that you had money invested in this corporation which was not successful, was it, during this period of time?

Mr. KATZ. Well, you are trying to pin me down to say it was not successful, Mr. Kennedy.

Mr. KENNEDY. It was not a financial success.

Mr. KATZ. Well, it has not been to date, no. But, of course, we realized that at the time, when we took it over. This was an investment.

Mr. KENNEDY. It was not a financial success. The \$12,000 that Mr. Holovachka, and I believe some of you others, invested in it had not paid off as of the middle of 1957; isn't that correct?

Mr. KATZ. Well, as of the middle of 1957 we didn't have that much invested, I don't believe.

Mr. KENNEDY. Well, the money that Mr. Holovachka had invested was some \$12,000?

Mr. KATZ. Up to the time he disposed of his interest, he had, yes, sir.

Mr. KENNEDY. And as of that time, as of the time he disposed of his interest, the corporation had not been a financial success?

Mr. KATZ. I would say up to that time the corporation itself had not paid any dividends. I think if you understood the nature of the building and of the land that is involved here, you would understand better what I am trying to say to you. When we took this building over, and since we have taken it over, we have lost several tenants, several tenants that paid good rentals for various reasons, as a result of that the amount of money that has been coming in has not been sufficient to retire the building contract to meet the annual payments on the building contract and maintain the operating expenses of the building.

As a result of that, we have had to come up ourselves with additional moneys in order to meet these semiannual payments. We have reduced the indebtedness of the building on the building itself—and I want to point out to you at this time, I am going to deviate, that the building is owned by one corporation. We have it on a lease. I believe the building itself has about 38 years to go, the building on the land, and the land is owned by another group for which we pay monthly land rent. We have reduced the indebtedness on the building contract to now where it is slightly over \$13,000 from the \$55,000 that existed at the time we took it over.

Moneys for that have come from the moneys that have been taken in and from the additional moneys we have contributed.

That all goes into the question of when you say whether or not this has been successful or not, I feel that it has not been as successful as that could have been. I still feel that the building has a tremendous potential. I don't feel that it has not been a success. I feel that it has the possibilities of great success. It was gone into strictly as an investment for a period of time.

Mr. KENNEDY. Has it made money since this new group took it over?

Mr. KATZ. Well, it has made money in that we have reduced the indebtedness from \$55,000 to \$13,000 on the building contract and paid the land rent and maintained the building.

Mr. KENNEDY. Did you know that the money that was put up in the name of Dr. Kopcha actually came from the 1300 Corp.?

Mr. KATZ. I don't know where that money came from, sir.

Mr. KENNEDY. Can we have this document made an exhibit, Mr. Chairman?

The CHAIRMAN. Mr. Katz, I hand you here what appears to be a carbon copy of an affidavit entitled "Seller's Affidavit Liabilities."

It appears to be dated the 26th day of November 1957. I will ask you to examine it and state if that is a copy, or if you recognize it as a copy of the original affidavit.

(The document was handed to the witness.)

Mr. KATZ. I think so, Senator. I think that is a copy of the original affidavit.

The CHAIRMAN. Did you prepare that affidavit?

Mr. KATZ. I don't recall that I prepared it or if it was prepared at my direction.

The CHAIRMAN. You are familiar with it and with its contents, are you?

Mr. KATZ. Yes, sir.

The CHAIRMAN. That may be made Exhibit No. 57.

(The document referred to was marked "Exhibit No. 57" for reference, and may be found in the files of the select committee.)

Mr. SINCLAIR. Mr. Katz, did Mr. Levenberg prepare that affidavit?

Mr. KATZ. I don't recall, sir. I don't recall if I prepared it or if he asked me to prepare it or if he prepared it or had it prepared.

The CHAIRMAN. It was an affidavit that was prepared and that was incident to and a part of the proceedings conducted in the transfer of this property?

Mr. KATZ. That is correct.

Mr. SINCLAIR. Is it true that this affidavit was prepared approximately 3 months after you had received checks from the Kopcha group purchasing property?

Mr. KATZ. No, it is not true. This was prepared at the time the stock was transferred, to my best recollection.

Mr. SINCLAIR. The agreement to sell a one-third interest to this Kopcha group was consummated in August, isn't that right?

Mr. KATZ. You are talking about the option to buy and agreement to sell?

Mr. SINCLAIR. That is right. That was consummated in August.

Mr. KATZ. It was executed.

Mr. SINCLAIR. And this was prepared in November.

Mr. KATZ. It was executed in August and the deal, I would say, was consummated in November.

Mr. KENNEDY. The money passed.

Mr. SINCLAIR. The money passed previous to that.

Mr. KATZ. Not all of the money, did it?

Mr. SINCLAIR. September 27, 1957, is the date of the check for \$5,000.

Mr. KATZ. That is correct, sir.

Senator CURTIS. Mr. Chairman?

The CHAIRMAN. Senator Curtis.

Senator CURTIS. I would like to ask a question or two in order that I might get this thing a little more clearly in my mind. The principal asset of this corporation is the building; is that right?

Mr. KATZ. Correct.

Senator CURTIS. What was the indebtedness in round figures when your group took it over?

Mr. KATZ. Approximately \$55,000.

Senator CURTIS. What is the indebtedness now?

Mr. KATZ. A little over \$13,000.

Senator CURTIS. So the indebtedness has been decreased by \$42,000?

Mr. KATZ. On the contract.

Senator CURTIS. How much of that \$42,000 indebtedness, decrease in indebtedness, could be attributed to new money, new capital brought in? And how much of it has been reduced by the rents or the income to the corporation?

Mr. KATZ. Well, I think we put in \$12,000 each. That would be \$36,000.

Senator CURTIS. Contributions of capital, \$36,000. So by application of rents, or what was left of rent after you paid taxes and land lease, has reduced the indebtedness by \$6,000?

Mr. KATZ. Approximately.

Senator CURTIS. In other words, your equity in the building has increased by \$6,000?

Mr. KATZ. That is right, Senator, and that was the basis that was used on the figure that we thought we would sell it at.

Senator CURTIS. Have you ever had it appraised?

Mr. KATZ. No, sir.

Senator CURTIS. Do you have an estimate of your own as to its market value, the building?

Mr. KATZ. Just my own opinion.

Senator CURTIS. What is that?

Mr. KATZ. My opinion, sir, is that this is a valuable piece of property on a long-term basis. It is a three-story building, located on Holoman Street, which is not right downtown in the city of Hammond, but it is the second major street in the business area.

Senator CURTIS. Based on those facts, what do you think it is worth? The owner is a qualified witness to place a value on something. What do you think it is worth?

Mr. KATZ. Well, the way it stands now, the building has a potential that I think would increase its value greatly. I really am not qualified to say what it could be worth. I think that the building, if the fee can be acquired, and it can be acquired for a certain consideration, whoever owned the building together with the fee would have a tremendously valuable piece of property.

Senator CURTIS. Well, what is the value, in your opinion?

Mr. KATZ. My opinion would be a guess.

Senator CURTIS. And guessing that if it were completely rented——

Mr. KENNEDY. What is the value, that is the question.

Senator CURTIS. What do you think the value is?

Mr. KATZ. I could not give you an estimate.

Senator CURTIS. In other words, would you sell it as is for \$55,000?

Mr. KATZ. Today?

Senator CURTIS. Yes.

Mr. KATZ. Well, I would have in November, in November of 1957 I would have; yes, sir. I agreed to sell it for less, actually.

Senator CURTIS. In other words, you took the stock and assumed the indebtedness as the purchase price. You think as of last November it was worth the amount of indebtedness that it had when you took it over?

Mr. KATZ. I think so, certainly.

Senator CURTIS. Do you think that the present value is less or more than it was last November?

Mr. KATZ. Well, to me it would be worth the same, or maybe more. But to somebody who had some definite plans and who had some definite use for it, who could take the time and had the ability to develop it, it would be worth a great deal more.

Senator CURTIS. I understand it is your opinion that in the long pull its value will increase. But do you think you could sell it now for \$55,000?

Mr. KATZ. I don't think we would have any trouble at all.

Senator CURTIS. Do you think you could get more than \$55,000?

Mr. KATZ. It would all depend on the person who would be interested in it.

Senator CURTIS. I understand. But you have some idea whether or not you have an asset there that if you sold it clear of indebtedness it would be worth——

Mr. KATZ. I might say to you that I have tried to interest other people in it, but I have never found——

Senator CURTIS. Well, what figure did you have in mind?

Mr. KATZ. No particular figure at all. The only figure that I ever had in mind was the figure of that \$6,000, and we thought we ought to make \$2,000 apiece, because of the difference between what we paid in.

Senator CURTIS. In other words, what you are saying is if you could come out whole, if you could recover your capital contribution and \$6,000, on the present market that would be about all you could do?

Mr. KATZ. That was our feeling in November; yes, sir; or September of last year.

Senator CURTIS. Thank you.

Mr. KENNEDY. Is this worth anything at the present time?

Mr. KATZ. Of course it is.

Mr. KENNEDY. It is worth something?

Mr. KATZ. Certainly it is worth something.

Mr. KENNEDY. Well, when you bought it it was worth a dollar. Is it worth more than that?

Mr. KATZ. Well, the fact that I bought it for a dollar doesn't mean that it was worth a dollar.

Mr. KENNEDY. Well, you bought it for a dollar. That is how much you paid for it.

Mr. KATZ. There were other considerations which you know about.

Mr. KENNEDY. Could you get more than a dollar for it at the present time under ordinary circumstances?

Mr. KATZ. Yes, we did.

Mr. KENNEDY. You did on that instance, but could you under ordinary circumstances get more than a dollar for it?

Mr. KATZ. Certainly.

Mr. KENNEDY. Looking at the liabilities, you have notes payable to the Merchants Improvement Corp. for \$4,753.56, is that right?

You have notes payable to the Gary National Bank for \$30,000. You have loans payable to officers of \$36,000; loans payable to others \$20,300; suspenses \$829.90; making a total of \$91,880.52. Plus other liabilities of \$24,000, current liabilities of \$24,798.51.

The CHAIRMAN. \$24,000?

Mr. KENNEDY. \$24,798.51.

The CHAIRMAN. In other words, there is about \$17,000 in round numbers indebtedness against the property, in this business?

Senator CURTIS. Understand, I am not disputing the counsel's word. I am trying to find out what he said it was worth.

He told me that the indebtedness was \$13,000 and then they had contribution to capital of \$36,000, which should show an equity of \$6,000.

Mr. KATZ. I didn't tell you that, sir. I told you that the balance on the building contract approximated a little over \$13,000.

Mr. KENNEDY. Isn't it a fact that if somebody offered you a dollar for your interest now you would take it?

Mr. KATZ. No, sir.

Mr. KENNEDY. Mr. Chairman, there are some further facts that we will have to develop on this, but I would like to put Mr. Sinclair on to develop where this money came from.

Senator CURTIS. Mr. Chairman, may I ask the counsel one question?

The CHAIRMAN. Yes.

Senator CURTIS. What is the total according to the staff's figures of the liabilities of this corporation? He has stated that they only have the one asset.

The CHAIRMAN. Senator, this, as I understand it, is the financial statement that they turned over to the staff.

Senator CURTIS. I understand.

Mr. KENNEDY. You don't even have the building, do you?

You don't own the building?

Mr. KATZ. We are buying the building.

Mr. KENNEDY. But you just have a lease on the building at the present time.

Mr. KATZ. No, we are buying the building.

Mr. KENNEDY. You keep talking about the future.

Mr. KATZ. The building is on property owned by the Merchants Improvement Corp.

Mr. KENNEDY. Therefore, you have a lease.

Senator CURTIS. That is on the land.

The CHAIRMAN. Give the Senator the total as from this document which has been made an exhibit, the total indebtedness.

Mr. KENNEDY. Current liabilities are \$24,798.51; fixed liabilities are \$91,880.52.

Senator CURTIS. By fixed liabilities, that includes the \$36,000 contribution to capital?



Mr. KENNEDY. Right.

Mr. Katz, didn't this group also that came in in the name of Dr. Kopcha—in that group didn't Mr. Holovachka put up some stock in order to get this loan from the bank of \$30,000? Didn't he put up other stock of his?

Mr. KATZ. Would you repeat that, please?

Mr. KENNEDY. Didn't Mr. Holovachka put some stock as security for a loan from the Gary National Bank for \$30,000?

Mr. KATZ. Yes, sir.

Mr. KENNEDY. And didn't this group that came in in the name of Dr. Kopcha take over that security and allow Mr. Holovachka to withdraw his security, withdraw his stock?

Mr. KATZ. They didn't take over the securities.

Mr. KENNEDY. Well, they replaced the security?

Mr. KATZ. I don't know if they did.

Mr. KENNEDY. Didn't they let him take over the debt? Did they not take over the debt?

Mr. KATZ. I don't think they did.

Mr. KENNEDY. Do you know any transaction they had regarding this \$30,000?

Mr. KATZ. I think I can clear that up for you. We executed a loan. They arranged a loan for us to pay off that debt.

Mr. KENNEDY. So he was able to withdraw this stock?

Mr. KATZ. That is correct.

Mr. KENNEDY. So they paid him some \$15,000 and the money went to Mr. Holovachka, and also they made arrangements so that he could get the use of his stock once again?

Mr. KATZ. I don't know what \$15,000 you are talking about.

Mr. KENNEDY. Well, the \$8,000 plus the \$6,000, makes \$14,000. It is \$14,000.

That is all.

The CHAIRMAN. Mr. Sinclair, be sworn.

You do solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. SINCLAIR. I do, Senator.

### TESTIMONY OF RICHARD G. SINCLAIR

The CHAIRMAN. State your name, place of residence and business or occupation.

Mr. SINCLAIR. My name is Richard G. Sinclair. I reside in Washington, D. C. I am a member of the professional staff of this committee.

The CHAIRMAN. What is your background, briefly, of experience?

Mr. SINCLAIR. I have been with the General Accounting Office since 1939 as an accountant and an investigator.

The CHAIRMAN. Some 19 years you have been following this profession?

Mr. SINCLAIR. Yes, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Mr. KENNEDY. Mr. Prosecuting Attorney, Mr. Holovachka, made an announcement on August 20, 1957, that Lake County, Ind., had no jurisdiction in dealing with the Carpenters, did he not?

Mr. SINCLAIR. He did.

Mr. KENNEDY. Was he also considering before the grand jury a company called the Norgold Co.?

Mr. SINCLAIR. He was considering the transactions of the Norgold Corp., yes.

Mr. KENNEDY. They were alleged to have been involved in some land scheme?

Mr. SINCLAIR. Yes.

Mr. KENNEDY. And that was also a matter to be presented to the grand jury?

Mr. SINCLAIR. Yes.

Mr. KENNEDY. Was the Norgold Corp., the officers of the 1300 Broadway Corp.? Did they own the Norgold Corp.?

Mr. SINCLAIR. They did.

Mr. KENNEDY. Did the 1300 Broadway Corp. sell to the Teamsters a piece of property?

Mr. SINCLAIR. The 1300 Broadway Corp. in August 1957 sold to the Teamsters a piece of property for \$40,000.

Mr. KENNEDY. What was the value of the assessed tax value of that land, approximately?

Mr. SINCLAIR. The assessed value of the property was approximately \$3,800.

Mr. KENNEDY. Approximately \$3,800?

Mr. SINCLAIR. That is right.

Mr. KENNEDY. And the Teamsters paid \$40,000 for this land?

Mr. SINCLAIR. That is correct.

Mr. KENNEDY. What is the rule of thumb that you found in the State of Indiana, in that county, as far as the relationship between the tax value and the actual value?

Mr. SINCLAIR. I understand that the rule of thumb is that the assessed value is one-third of the sale value of property.

Mr. KENNEDY. So that would make the land worth about \$12,000; is that right?

Mr. SINCLAIR. Approximately.

Mr. KENNEDY. Did you also have an appraisal made of that piece of property?

Mr. SINCLAIR. I did have an appraisal made of this property.

Mr. KENNEDY. Do you have a copy of that letter?

Mr. SINCLAIR. Yes, I have it.

Mr. KENNEDY. How big was this piece of property that was purchased?

Mr. SINCLAIR. According to the testimony before the committee the property contains approximately 10 acres.

The appraiser however estimated the property to contain between 12 and 15 acres.

Mr. Paul Schleicher, Sr., of the firm Paul Schleicher & Sons, Builders, Developers, and Contractors, and located in Gary, Ind., area for many years, looked at this property on June 23, and this is what he said about it.

Senator CURTIS. June 23 this year?

Mr. SINCLAIR. Yes, Senator. June 23 of this year.

This statement is directed to me as a member of the professional staff of this committee.

At your request we have looked at the property located in the Lakewood subdivision in Gary, Ind., and further located between Clark Road on the East, Mount Street on the west, 13th Avenue on the north and 15th Avenue on the south.

The area that we have mentioned and which is included in the quarter section map as displayed to us, shaded in red, appears to contain approximately 14-15 acres. We are pleased to confirm our verbal statements to you that if we were to have an opportunity to purchase this land merely for speculative purposes, we would consider it to have a value of approximately \$500 an acre. But on the other hand, if we had a program just for developing and building on this land we would be willing to pay as high as \$1,200 an acre.

Our experience in building and subdivision development dates back to 1939.

This is signed by Paul E. Scheleicher.

Mr. KENNEDY. So if there was considered to be about 10 acres, the maximum value of that land would be about \$12,000?

Mr. SINCLAIR. Provided there was a program, Mr. Kennedy.

Mr. KENNEDY. And if it was a larger piece, if it was a larger acreage, the maximum value would be about \$18,000, the maximum value, is that right?

Mr. SINCLAIR. That is correct.

Mr. KENNEDY. And yet the Teamsters paid for this some \$40,000?

Mr. SINCLAIR. Yes, the Teamsters paid \$40,000.

Mr. KENNEDY. Now that is that transaction. The 1300 Corp., as we say, the officers there are the same as the Norgold Corp., right?

Mr. SINCLAIR. Norgold Corp. is affiliated with the 1300 Broadway Corp., yes.

Mr. KENNEDY. Were you able to find out and trace where the money that was transferred in the name of Dr. Kopcha actually came from?

Mr. SINCLAIR. Yes, according to an officer in the Norgold Corp. they put up the money for Dr. Kopcha. They supplied the funds that were paid to Mr. Metro Holovachko.

Mr. KENNEDY. And did you interview Dr. Kopcha?

Mr. SINCLAIR. I did.

Mr. KENNEDY. And did Dr. Kopcha tell you at that time that he had not put up any money in this transaction?

Mr. SINCLAIR. He first told me he had put up \$5,000 in the transaction. He later told me he did not have a dime in this transaction.

Mr. KENNEDY. The last interview was that he had not put up any money?

Mr. SINCLAIR. That is correct.

Mr. KENNEDY. And this money, according to what the officer of the 1300 Corp. told you, this money, in fact, came from them: is that right?

Mr. SINCLAIR. That is correct.

Mr. KENNEDY. And, ultimately, ended up with Mr. Holovachka?

Mr. SINCLAIR. It went to Mr. Holovachka.

Mr. KENNEDY. And it was the interest for Mr. Holovachka which he had paid either a dollar or 33½ cents, is that right, that they secured?

Mr. SINCLAIR. That is right.

Mr. KENNEDY. The facts speak for themselves, Mr. Chairman.

The Chairman. Is there anything further?

If not, thank you. Call your next witness.

Mr. KENNEDY. Mr. Hutcheson.

**TESTIMONY OF MAURICE A. HUTCHESON, ACCOMPANIED BY  
ATTORNEYS HOWARD TRAVIS AND F. JOSEPH DONOHUE—  
Resumed**

The CHAIRMAN. Let the record show that Mr. Donohue also appears as counsel for Mr. Hutcheson, with Mr. Travis.

Mr. TRAVIS. May Mr. Donohue finish reading my preliminary statement, please?

The CHAIRMAN. Well, let's move along, or you can put it into the record. We are going to proceed as we did yesterday.

Mr. DONOHUE. It is not very long, Senator.

The CHAIRMAN. Proceed.

Mr. DONOHUE. I respectfully submit that this committee should not undertake to elicit from this witness, and is without authority to attempt to elicit from this witness, any matters related or which might be related to such personal transactions, or which could be used or might be attempted to be used as evidence or as a means of obtaining evidence in aid of the prosecution of such indictment.

For these reasons, I respectfully request the chairman to rule that interrogations of such character are not pertinent, and are outside the scope of proper inquiry. If such ruling is not made, then I must respectfully protest the making of any such interrogation, and shall feel bound to advise the witness to refuse to answer on the grounds which I have stated.

Inasmuch I cannot foresee the interrogations which may be made, I also respectfully request that, if any interrogations are not intended to relate to the matters which I have stated, I, or the witness, be assured of that fact in order that the witness may not be put unwillingly in the position of waiving any right by reason of being unaware and unadvised of the topic of inquiry, and the connective reasoning whereby the precise questions asked related to it.

The CHAIRMAN. All right. We will proceed as we did on yesterday, when Mr. Blaier was on the stand. If there is any issue raised by counsel with respect to the jurisdiction of the committee or the propriety of the questions, we will rule on them as we go along.

Proceed.

Mr. KENNEDY. Mr. Hutcheson, you have been general president of the Brotherhood of Carpenters for how long?

Mr. HUTCHESON. January 1, 1952.

Mr. KENNEDY. Were you elected at that time?

Mr. HUTCHESON. I was first vice president at that time, and, when the former general president resigned and became emeritus, I automatically became general president under the constitution of our organization.

Mr. KENNEDY. How had you become first vice president?

Mr. HUTCHESON. I was appointed in 1938.

Mr. KENNEDY. By whom?

Mr. HUTCHESON. By the general president.

Mr. KENNEDY. Who was the general president?

Mr. HUTCHESON. William L. Hutcheson.

The CHAIRMAN. That was your father?

Mr. HUTCHESON. Yes, sir.

Mr. TRAVIS. Could I have the lights turned off again, Senator McClellan?

The CHAIRMAN. Yes. Does your constitution provide that the president of your union may, in effect, appoint his successor?

Mr. HUTCHESON. When there are vacancies, the general president appoints, subject to the approval of the general executive board.

The CHAIRMAN. So, instead of there being an election for general president, it can, and has been, in effect, handed down from father to son?

Mr. HUTCHESON. No, sir; that is not correct. The constitution is very clear on how the officers shall be elected and the vacancies filled.

The CHAIRMAN. Does it so provide? I mean, it can so operate and did so operate, I believe, in this instance, but you say with the approval of the executive board. It did so operate in this instance that the presidency was, in effect, handed down from father to son.

Mr. HUTCHESON. Sir, I did not become president until 1952, and I became general president automatically through the constitution provisions of the first general vice president.

The CHAIRMAN. Mr. Hutcheson, that is what I am trying to establish here. One of the primary purposes of these investigations is to determine what the situation is in management-labor relations and, also, with respect to the internal affairs of unions, with a view of considering legislation that might be needed to correct some conditions, some things that we might regard as improper practices.

It has intrigued me that a man can become president of a great organization like this simply by having been designated as such by the general president. Just forget the relationship for the moment between you and your father. But assume he had designated John Doe in the way he designated his son, and, upon his passing away, you automatically became president. What I wanted to point out was that the membership, the dues-paying members, under your constitution had no opportunity to vote upon you as first vice president, or whatever you were appointed to, did they?

Mr. HUTCHESON. I beg your pardon, Senator. I was appointed in 1938, and I got elected in 1940, and again in 1946, and in 1950, and I was elected general president in 1954.

The CHAIRMAN. Then you have been elected?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. I didn't quite understand. That is why I wanted to get it clear. We are interested, of course, in democratic processes in the election of officials of unions. I got the impression from what you said, and that is why I wanted to clear it up, that the office just in effect had been handed to you.

Proceed, Mr. Kennedy.

Mr. KENNEDY. You say you were elected in 1938. Did you have opposition in 1938?

Mr. HUTCHESON. In 1940.

Mr. KENNEDY. Did you have opposition in 1940?

Mr. HUTCHESON. No. I did not have.

Mr. KENNEDY. When were you elected the next time?

Mr. HUTCHESON. 1946.

Mr. KENNEDY. Did you have opposition? 1946?

Mr. HUTCHESON. Yes, sir, I had opposition in 1946.

Mr. KENNEDY. Who was the opposition then?

Mr. HUTCHESON. From Oklahoma City. Meyers, I believe his name was.

Mr. KENNEDY. When was the next time you were elected?

Mr. HUTCHESON. 1950.

Mr. KENNEDY. Did you have opposition then?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. Then you were elected general president in 1954?

Mr. HUTCHESON. 1954.

Mr. KENNEDY. Did you have opposition then?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. How long have you known Mr. Max Raddock?

Mr. TRAVIS. At this point, Mr. Counsel, is your line of questioning going to be as it was yesterday, relating to the book rather than the Lake County transactions?

Mr. KENNEDY. Mr. Raddock is not under indictment in any conspiracy with Mr. Hutcheson. I am just going to ask Mr. Hutcheson about his relationship with Mr. Raddock.

The CHAIRMAN. Let the Chair say this: I have gone into the matter a little to ascertain where the line of questioning may go. He will be interrogated regarding the book. He will also be interrogated regarding the use of union funds in a project which, on the face of it at least, appears to have the objective which was to obstruct justice.

So he will be interrogated about those things. As to any act covered in the indictment for the period of which the crime is alleged in the indictment, he will not be interrogated. But the matters that he will be interrogated about are subsequent to the time that the offense in the indictment was charged.

All right.

Mr. KENNEDY. How long have you known Max Raddock?

The CHAIRMAN. And it is not something for which he is now under indictment.

Mr. HUTCHESON. I don't know the exact number of years, but I have known him for some time.

Mr. KENNEDY. Can you explain to the committee why you paid him the extra \$50,000, which ultimately amounted to \$250,000, without him producing any books on the book that he was writing and producing on your father?

Mr. HUTCHESON. Which item is that?

Mr. KENNEDY. That would be starting on March 31, 1955?

Mr. HUTCHESON. 1955.

Mr. KENNEDY. Yes. It was agreed that you would pay him \$100,000, and he was to produce the 56,000 books. Why did you pay him this \$50,000 prior to the time that he produced any of the books?

Mr. HUTCHESON. That is the first item?

Mr. KENNEDY. You paid him \$25,000 to write and furnish 6,000 copies of the book by November 1954. This he failed to do. Despite that fact you paid him another \$25,000 in May of 1954. Then you wanted 50,000 more books and it was decided to give him \$200,000 for that.

You paid him \$50,000 on January 31, 1955; another \$50,000 on February 14, 1955, and it was the understanding that he wouldn't receive the second installment of the \$100,000 until after he had produced the books. But despite that, on March 31, 1955, you gave him another \$50,000. Why did you do that?

Mr. HUTCHESON. I did not give him the check you referred to, and if you will check the endorsement on that check, I think you will find that he did not receive it until the end of November or the first of December of that year.

Mr. KENNEDY. This check?

Mr. HUTCHESON. Yes.

Mr. KENNEDY. Why was it made out on March 31, 1955?

Mr. HUTCHESON. Sir, I can't answer that.

Mr. KENNEDY. Then let's go to November 31, 1955. Why did you give him the \$50,000 there?

Mr. HUTCHESON. I was not present when that check was given to him. The committee that was handling this transaction had the authorization, and it was my understanding that they anticipated that the contract would be filled as provided for on March 31, and were then prepared to take care of it.

Mr. KENNEDY. Will you tell the committee why—this is a period of time when you were general president—you paid him \$250,000 to produce 56,000 books and the most he produced some 2 years later were 5,000 books?

Mr. HUTCHESON. Mr. Kennedy, this whole transaction has been handled by our general executive board, and because of my relationship I have been reluctant to get into it.

Mr. KENNEDY. You are international president, Mr. Hutcheson?

Mr. HUTCHESON. I am international president, that is correct, and the general executive board, when the book was completed, felt very well satisfied with the project.

Mr. KENNEDY. Who is chairman of the executive board?

Mr. HUTCHESON. I am.

Mr. KENNEDY. Don't you think you have some responsibility as chairman of the executive board and international president, to be giving somebody like Mr. Raddock \$250,000 and getting nothing in return?

Mr. HUTCHESON. I most assuredly do, and I try to respect my responsibility in every way.

Mr. KENNEDY. What about this February 24, 1956? What was the \$50,000 for?

Mr. HUTCHESON. That \$50,000 was for additional books, and I authorized that myself.

Mr. KENNEDY. For how many books were you going to get?

Mr. HUTCHESON. Well, as I told you, when you interviewed me before, there was no definite commitments on it. There was a discussion as to production of the cheaper book, but at that time there was no conclusion reached. I assumed it was for 10,000 books.

Mr. KENNEDY. At \$5 a copy?

Mr. HUTCHESON. Yes, sir.

Mr. KENNEDY. Why, during all of this period—did you ever go to any other book publisher to find out how much it would cost to produce a book?

Mr. HUTCHESON. No, I didn't personally do that.

Mr. KENNEDY. Don't you think you had that responsibility? Would you tell the committee why, when they produced 5,000 books, a very limited amount, you paid him another \$50,000 to produce 10,000 books at \$5 a copy?

Mr. HUTCHESON. I did not realize that the books had not been printed. We knew they were in the process and we thought they were being mailed out. This is an additional item.

Mr. KENNEDY. But you already paid him \$250,000?

Mr. HUTCHESON. Yes, sir.

Mr. KENNEDY. And you gave him another \$50,000, making it \$300,000?

Mr. HUTCHESON. Yes, I did.

Mr. KENNEDY. It wasn't your money.

Mr. HUTCHESON. I did it under authorization of our general executive board, because we were preparing for our 75th anniversary.

Mr. KENNEDY. Don't you know you can buy a book in a bookstore for \$4.50 or \$5. Didn't you realize that you didn't have to pay \$5 a book when you were buying it wholesale?

You were producing the book.

Mr. HUTCHESON. Well, Mr. Kennedy, I don't set the price of books. I don't know how the price is established.

Mr. KENNEDY. Don't you have one of the largest book publishers right across the street from the International Brotherhood of Carpenters in Indianapolis?

Mr. HUTCHESON. I have never seen them.

Mr. KENNEDY. You have them three or four blocks down the street, then.

Mr. HUTCHESON. I don't know who they are.

Mr. KENNEDY. Did you ever confer with anybody in Indianapolis as to how much a book would cost?

Mr. HUTCHESON. I did not, sir.

Mr. KENNEDY. Did you ever confer with anyone to see how much it would cost?

Mr. HUTCHESON. I did not, sir.

Mr. KENNEDY. Did anyone in the Brotherhood of Carpenters?

Mr. HUTCHESON. I don't know.

Mr. KENNEDY. On January 9, 1957, you gave him another \$10,000?

Mr. HUTCHESON. Yes, that was after Mr. Fisher had died, and the bill came into the office. I had no way of knowing how Mr. Fisher had arranged for it, so I O.K.'d that bill to be paid.

Senator CURTIS. Mr. Chairman, I would like to ask a question. How are expenditures made by the Carpenters' Union?

Mr. HUTCHESON. For what, Senator?

Senator CURTIS. Do you have vouchers? Who signs the checks? How do you handle an expenditure?

Mr. HUTCHESON. Well, it would depend on the type of expenditure. The regular, ordinary expenses go through the secretary and the general treasurer.

Senator CURTIS. And who signs the checks?

Mr. HUTCHESON. The treasurer and then there are three cosigners who are eligible to sign it.

Senator CURTIS. Who are those three cosigners, what officers?

Mr. HUTCHESON. Myself, the first general vice president, and the general secretary.

Senator CURTIS. How much was the total expenditure made for writing of this book?

Mr. HUTCHESON. Well, according to the chart here, it is \$25,000 that was given for research would be the total amount.



Senator CURTIS. The research and the writing. What does it all total?

Mr. HUTCHESON. Well, all other items include a certain number of books, Senator.

Senator CURTIS. Yes. And how much does that amount to? The grand total on this book project is what?

Mr. HUTCHESON. \$310,000.

Senator CURTIS. \$310,000.

From what account in the Carpenters International would this be paid? Your general account?

Mr. HUTCHESON. Sir?

Senator CURTIS. From what account was this \$310,000 paid? Was it your general account?

Mr. HUTCHESON. From the general fund; yes, sir.

Senator CURTIS. And that is made up from the remissions that are made by local carpenters' unions?

Mr. HUTCHESON. Yes, sir.

Senator CURTIS. What determines how much money they contribute to the international?

Mr. HUTCHESON. The local unions?

Senator CURTIS. Yes.

Mr. HUTCHESON. The per capita tax?

Senator CURTIS. Yes, the per capita tax.

Mr. HUTCHESON. The membership decides themselves on a per capita tax. At the present time it is \$1.25.

Senator CURTIS. How often?

Mr. HUTCHESON. A month.

Senator CURTIS. But it is the same for all local unions?

Mr. HUTCHESON. No. No, sir. We have two different statutes of local unions, what is known as beneficial local unions paying \$1.25, and a semibeneficial local union pays 65 cents.

Senator CURTIS. What is the difference?

Mr. HUTCHESON. The difference is in the funeral donations and home and pension benefits.

Senator CURTIS. Those that share in what might be determined fringe benefits pay \$1.25 and the others pay 65 cents?

Mr. HUTCHESON. That is right, sir.

Senator CURTIS. That is per member of the local?

Mr. HUTCHESON. That is right, sir.

Senator CURTIS. Not all of your membership is voluntary; is it?

Mr. HUTCHESON. It couldn't be any other way, Senator.

Senator CURTIS. Aren't there situations where men are required to belong to the Carpenters' Union in order to go on a job or stay on a job?

Mr. HUTCHESON. Well, I suppose there is where union-shop agreements are in effect, and they would be required to follow out the provisions of the contract.

Senator CURTIS. You have a number of union shop agreements; do you not?

Mr. HUTCHESON. Yes.

Senator CURTIS. The point I wish to bring out for the record is this: That a voluntary association certainly could spend any money that the proper body or the membership itself decided to spend on a

book about a president or a history of the organization, but I seriously question the right of any organization to spend money for other than the collective bargaining purposes where their membership, in part, is maintained under a requirement that men must pay it in order to hold their job.

So separate and apart from whether or not the arrangements with Mr. Raddock were wise and prudent trusteeship, I further raise the question of the right to compel individuals who may, over a long period of time or for a short period of time, have to contribute a part of the \$310,000 for a book.

Mr. HUTCHESON. Well, sir, our general executive board was under directions from our general convention of 1954, directing that they see to it that a sufficient number of books were purchased and given proper distribution. The general executive board in going into the project, and after being directed by the convention, felt that they were required to carry out the directive issued to them.

Senator CURTIS. One of the arguments, and the principal argument, as I see it, given for compulsory unionism and the union shop is that every man should pay a part of the cost of the collective-bargaining expenses and the gains that he gets in wages and other benefits, and that there shouldn't be any free riders.

That argument is freely made. But I can't see any argument for collecting dues from people who are required to join an organization or lose their job, and collecting them in the amounts that call for items of travel to Europe, such as we have here, and the purchase of citrus groves, and expenditures of \$310,000 on books about a late president of the organization.

I seriously question both the moral and legal right for such expenditures.

Mr. HUTCHESON. Well, sir, our general executive board and I am sure the convention felt the same way, that it would make good public relations to circularize this book. Others pay certain amounts for public relations and we felt that this was our way of making our contribution. We have not had one single complaint from any member in respect to this project.

Senator CURTIS. That is all, Mr. Chairman.

Senator ERVIN. I would advise the next time you go into a project like that you sort of look around and invite a little competition. The evidence before this committee indicates very strongly that you could have gotten this book written by the foremost historian in the United States for far less money.

Mr. HUTCHESON. Sir, I am not qualified to judge that.

Senator ERVIN. That is the reason you ought to do a little investigating before you commit yourself to the writing of a book by one man without looking around and trying to find out about some other folks to have charge of the writing and publication. In other words, frankly, the evidence indicates that your board was about as inexperienced in matters like this as it is in the practice of medicine and surgery, or sending sputniks into the stratosphere.

Mr. HUTCHESON. I don't think they are experienced in it, Senator. I would have to agree with you.

Senator ERVIN. Except now I think you are. Which reminds me of these two men that went into business down in my country, and the

business wound up with one of them having the business. I was talking to the fellow, one of the members who had been ousted, and he said when he went into the business with this man, that he furnished the capital and the other fellow furnished the experience, and he said "Now this fellow has the capital and I have the experience."

Mr. KENNEDY. Did it ever concern you, Mr. Hutcheson, that this book was not being produced on schedule?

Mr. HUTCHESON. I beg your pardon?

Mr. KENNEDY. Did it ever concern you that this book was not being produced on schedule?

Mr. HUTCHESON. Yes. We were all concerned, because we were interested in having production and getting it out into circulation.

Mr. KENNEDY. Then why did you keep giving him more money, when you were concerned?

Mr. HUTCHESON. Well, I am sure that Secretary Fisher, and I know I was myself, felt that the book was being published and was being mailed out in the proper time.

Mr. KENNEDY. When was it in fact that you found that the book was not being mailed out?

Mr. HUTCHESON. In 1957 I received information at that time that the book was being distributed very slowly.

Mr. KENNEDY. How did you find that out?

Mr. HUTCHESON. I had a survey made in the State of Indiana.

Mr. KENNEDY. Why did you have a survey made?

Mr. HUTCHESON. To determine—the survey originally started to determine what the reaction of the book was, which, of course, then brought out the number of books that had been distributed.

Mr. KENNEDY. How much did you pay for the survey?

Mr. HUTCHESON. I don't recall.

Mr. KENNEDY. Some \$2,900?

Mr. HUTCHESON. Possibly so. I don't recall the exact figures.

Mr. KENNEDY. Did you find in the survey that out of 907 people that were supposed to receive the book, only 39 were known to have received the book?

Mr. HUTCHESON. Well, whatever the report was, Mr. Kennedy. I don't have it before me.

Mr. KENNEDY. During this period of time did you try to get a list? Mr. Raddock under the contract was supposed to furnish you a list of those to whom he was sending the book. Did you get that list from him?

Mr. HUTCHESON. I received a list, and that is what the survey was based on.

Mr. KENNEDY. Then he was defrauding you at that time?

Mr. HUTCHESON. I don't know that I could say he defrauded me.

Mr. KENNEDY. Did he furnish you a list of those who had been recipients of the book?

Mr. HUTCHESON. No, I did not say that. I received the list only. It evidently was the list that he intended to mail the books to, because it has been checked against the list now that we have received, and all but three on that list have received the book.

Mr. KENNEDY. When did you finally receive the list of those who got the books? As of the time I interviewed you in January of this year you hadn't received any such list.

Mr. HUTCHESON. We had the list delivered to us at Lakeland, Fla., at the general executive board meeting in February of this year.

Mr. KENNEDY. February 1958?

Mr. HUTCHESON. That is right.

Mr. KENNEDY. Some 3 months after we began our investigation?

Mr. HUTCHESON. That is right.

Mr. KENNEDY. Under the terms of the contract, Mr. Hutcheson, you were supposed to receive the list of those who were to get the book back in 1955, March of 1955, and you didn't receive it until February 1958, some 3 years later?

Mr. HUTCHESON. We could hardly have received it in 1955, Mr. Kennedy, when the book wasn't completed until December of 1955.

Mr. KENNEDY. Well, under the terms of the contract, the contract that you signed with Mr. Raddock, you were to receive the list back in March of 1955. I have the contract right here. Can you give us any explanation for that?

Mr. HUTCHESON. Well, I can't give you any explanation, because there could be no list at that time.

Mr. KENNEDY. It says "Being agreed the contract will be performed by March 31, 1955." That is what the contract says.

Mr. HUTCHESON. That is true, but it wasn't completed, as is shown, until November of 1955.

Mr. KENNEDY. Did you take some action at all against Mr. Raddock to try to get your money returned?

Mr. HUTCHESON. No, we didn't take any action to try to get our money returned. What we were interested in was completing the project and having the book out for distribution.

Mr. KENNEDY. Now that you found from the testimony before the committee that you should have only paid about a dollar per copy for the book, are you going to take any legal action against Mr. Raddock?

Mr. HUTCHESON. Mr. Kennedy, when this hearing is completed, I intend to obtain a transcript of the whole proceeding and have each member of our board review it and call the board into meeting and let them make the decision.

Mr. KENNEDY. Based on the information you have so far, do you intend to recommend to the board that some legal action be taken against Mr. Raddock for defrauding the Carpenters?

Mr. HUTCHESON. I could make no comment on that until I review it myself and read the testimony. I haven't attended all of these hearings.

Mr. KENNEDY. And you haven't reviewed the testimony?

Mr. HUTCHESON. Not completely, no, sir.

Mr. KENNEDY. Well, you know what the situation is. Certainly it has been brought to your attention. Certainly you must be interested, being the international president. You say you haven't enough information yet to be able to determine whether you are going to take any legal action against Mr. Raddock?

Mr. HUTCHESON. I cannot make any commitment in that respect. Mr. Kennedy. I said it is a case to be reviewed by our general executive board who instituted this project, and this and any other subjects that are considered in this hearing.

Mr. KENNEDY. Then you also paid Mr. Raddock some \$83,000 for the 75th anniversary dinner and for other public-relations activities

for you. We found from a review of the records that the most he could have spent in that connection was some \$25,000. So he got overpaid some 3 or 4 times on that also.

Mr. HUTCHESON. Well, I couldn't determine how you arrive at your figures. I know that during 1956 there was our 75th anniversary of the Brotherhood of Carpenters. It consisted of eight regional conferences, and Mr. Raddock attended each and every one, and prepared the arrangements, procured the speakers, and he did considerable work, and working night and day all during that period.

Mr. KENNEDY. Was he to receive a salary or payment for the work he was doing during this period?

Mr. HUTCHESON. He did not receive a salary. We received a bill at the end of the period.

Mr. KENNEDY. Did you get any breakdown as to how he was spending the money you were giving him, if it was supposed to be for expenses?

Mr. HUTCHESON. None other than was included in the documents which were turned over to you.

Mr. KENNEDY. Did you ask for any vouchers, any support for any of these bills?

Mr. HUTCHESON. No.

Mr. KENNEDY. That is all together some \$400,000 that was paid to Mr. Raddock, for which there is very little support. Did you, Mr. Hutcheson, order these paperback books from Mr. Raddock?

(At this point, Senator Curtis left the hearing room.)

Mr. HUTCHESON. I did not order them directly, no, sir. They had been discussed on several occasions.

Mr. KENNEDY. How many books was Mr. Raddock to produce, how many hard-bound books was Mr. Raddock to produce, under the contract?

Mr. HUTCHESON. How many did he?

Mr. KENNEDY. How many was he to produce?

Mr. HUTCHESON. Fifty-six thousand, originally, with an additional 10,000 making it 66, plus the 2,000.

Mr. KENNEDY. So that would be 68,000?

Mr. HUTCHESON. I would say so.

Mr. KENNEDY. How many has he produced so far? Don't you know, Mr. Hutcheson?

Mr. HUTCHESON. Not without looking at the figures. I don't have that report, that final report.

Mr. KENNEDY. Do you know if he has met all the terms of the contract?

Mr. HUTCHESON. Sir?

Mr. KENNEDY. Has he met the terms of the contract?

Mr. HUTCHESON. Yes, he has now.

Mr. KENNEDY. He what?

Mr. HUTCHESON. Yes, sir, he has.

Mr. KENNEDY. Would you count up these books with me?

Here is 5,000, 3,100 is 8,100, plus 10,000 is 18,100, plus 40,00 is 58,000 books. He is still 9,900 short, Mr. Hutcheson.

Mr. HUTCHESON. Well, there is an additional item there, Mr. Kennedy, of 13,000 paperbacks that you didn't include.

Mr. KENNEDY. I just asked you that, whether that was under the agreement, and you told me it was not, that he was to produce 68,000 hard-covered books. That is according to your own testimony. That is what you told me. He only produced 58,100. Are you going to take any legal action against him on that?

Mr. HUTCHESON. Sir, I am going to submit the entire matter to the general executive board for their consideration.

Mr. KENNEDY. But you are not even going to say whether you are going to try to get your other 9,900 books? You wouldn't even tell that to the committee?

Mr. HUTCHESON. The general executive board is the functioning body, Mr. Kennedy, and the one that instituted this project. Therefore, it is their responsibility to review the transcripts from this hearing and make their decision on it.

Mr. KENNEDY. Why have you had such a friendly relationship with Mr. Raddock during this period of time, Mr. Hutcheson? Has he performed some special tasks for you?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. He has not?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. What kind of work has he done for you?

Mr. HUTCHESON. Public relations work and so forth, during 1956, 75th anniversary, as outlined by you just a few minutes ago.

Mr. KENNEDY. Has he done any illegal act for you on your behalf?

Mr. HUTCHESON. On advise of counsel, I refuse to answer the question on the ground that it relates solely to a personal matter not pertinent to any activity which the committee is authorized to investigate, and also it relates or might be claimed to relate to or aid the prosecution of the case in which I am under indictment and thus be in denial of due process of law.

Mr. KENNEDY. Mr. Chairman, this is a man that has received over \$500,000 from the Carpenters over a period of time, and I am asking a question as to whether Mr. Raddock has performed any illegal acts on behalf of Mr. Hutcheson. I think it is very pertinent to the investigation.

The CHAIRMAN. Mr. Raddock is not in the indictment?

Mr. KENNEDY. No, he is not.

The CHAIRMAN. He is not a defendant?

Mr. KENNEDY. He is not.

The CHAIRMAN. This question is related to union activities?

Mr. KENNEDY. That is correct, and does not affect in any way the merits of the indictment.

Senator ERVIN. Mr. Chairman?

The CHAIRMAN. Let me suggest that the question be rephrased and ask him if he performed any illegal acts for him in connection with his official position or his relationship to the international union that he represents.

Senator ERVIN. Mr. Chairman, I was going to make a suggestion like that, but I would suggest that it be a little more restricted, if he performed any illegal act on behalf of the union rather than on behalf of Mr. Hutcheson.

The CHAIRMAN. All right.

The Chair will ask the question: Has Mr. Raddock performed for you on behalf of the union any illegal act?

Mr. HUTCHESON. Definitely not.

The CHAIRMAN. Has he received from the union payment for acts performed in your behalf and for you as an individual?

(Witness conferred with counsel.)

Mr. TRAVIS. May I have the question read, please?

(The pending question was read by the reporter.)

(Witness conferred with counsel.)

Mr. HUTCHESON. On the advice of counsel, I refuse to answer the question on the ground that it relates solely to a personal matter, not pertinent to any activity which this committee is authorized to investigate, and also it relates or might be claimed to relate to or aid the prosecution in the case in which I am under indictment and thus be in denial of due process of law.

The CHAIRMAN. The Chair overrules the objection, with the approval of the committee, and the Chair orders and directs the witness to answer the question.

(Witness conferred with counsel.)

Mr. HUTCHESON. Mr. Chairman, I renew my refusal.

Senator ERVIN. Mr. Chairman, I would just like to make an observation at this point.

The CHAIRMAN. Let him finish, if he will.

Did you finish your answer? The Chair is now ordering and directing you to answer the question, with the approval of the committee.

Mr. HUTCHESON. On advice of counsel, Mr. Chairman, I refuse for the same reasons as given previously.

The CHAIRMAN. All right, Senator Ervin.

Senator ERVIN. Mr. Chairman, I just wanted to suggest that in my judgment there is no validity in the first point of his objection. This question does not relate to a purely personal matter. It relates to the use of union funds, and certainly this committee has authority to investigate the use of union funds.

The CHAIRMAN. For that reason, the Chair ordered the witness to answer the question, because we certainly have jurisdiction to interrogate about the expenditure of union funds, and the question was predicated upon the payment out of union funds, which might be an improper expenditure of union funds to perform a personal service for the witness. I think that the question is legitimate. Its objective is obvious, to ascertain the conduct of this witness with respect to his position in a fiduciary capacity as trustee of union money. The question stands.

Do you still refuse to answer the question?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. Have you paid out of union funds to Mr. Maxwell C. Raddock moneys in connection with services rendered for you in a legal matter where you may have been involved, or being in prospect of being involved, either by civil action or by criminal action, other than services he may have performed for you, if any, in connection with the matters for which you now stand indicted?

(Witness conferred with counsel.)

Mr. HUTCHESON. On advice of counsel, I refuse to answer the question on the ground that it relates solely to a personal matter not pertinent to any activity this committee is authorized to investigate, and also it relates or it might be claimed to relate to or aid the prosecution

in the case in which I am under indictment and would thus be a denial of due process.

The CHAIRMAN. The Chair excluded in the question the case for which you now stand indicted, or the acts for which you may stand indicted. I am asking if you have used union funds to pay him for services rendered to you, not to the union but to you personally, in connection with legal matters, either civil or criminal, in which you were involved or in which you potentially may have become involved.

I don't want there to be any misunderstanding about this question. You have counsel. I am talking now about union funds, union money, for which you are responsible and accountable and over which this committee has jurisdiction to investigate.

Mr. TRAVIS. Mr. Chairman, of course, the refusal was not limited solely to a personal matter, as you will recall.

The CHAIRMAN. You may advise your client as to what you want him to do. I am sure he wants to take your advice. But the Chair is pursuing what he conceives to be this committee's duty.

Mr. TRAVIS. Mr. Chairman, very respectfully, in view of what I have heard in the prior testimony before this committee, I believe I know the direction that the question takes, and it is my duty to advise this witness not to answer, and I do so advise him.

The CHAIRMAN. Then the witness, on the advice of counsel refuses to answer the question?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. I understand, it very clear now, that you are not invoking the fifth amendment privilege?

Mr. HUTCHESON. That is right, sir, I am not invoking it.

The CHAIRMAN. You are not exercising that privilege?

Mr. HUTCHESON. No, sir.

The CHAIRMAN. You are challenging the question and the jurisdiction of the committee for the reasons you have stated and for those reasons only?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. All right. We have a clear understanding about that.

Now I will ask you another question. Have you, unrelated to this offense charged in the indictment now against you, engaged the services of Mr. Raddock, and have you paid him out of union funds for the performance of those services, to aid and assist you in avoiding or preventing an indictment being found against you or being criminally prosecuted for any other offense other than that mentioned in this indictment?

(Witness conferred with counsel.)

Mr. HUTCHESON. On advice of counsel, I refuse to answer on the same grounds as previously stated, sir.

The CHAIRMAN. The Chair with the permission of the committee, with its approval, orders and directs the witness to answer the question.

(Witness conferred with counsel.)

Mr. HUTCHESON. I still refuse to answer on the same ground, sir.

The CHAIRMAN. Did you engage the services of Mr. Raddock and pay him for those services out of union funds to contact, either directly or indirectly, the county prosecuting attorney, Mr. Holovachka,



given name Metro, in Lake County, Gary, Ind.? Bear in mind, the question is: Did you engage him and pay him to do that out of union funds?

(Witness conferred with counsel.)

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same ground as previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse for the same reason, Mr. Chairman.

The CHAIRMAN. Have you engaged Mr. Raddock to perform services, personal services, for you, of any nature whatsoever, and paid him for such services out of union funds? I will ask that over the period of the past 5 years?

(Witness conferred with counsel.)

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same ground as previously related.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. The witness understands that the Chair is interrogating him regarding union funds; do you not?

(Witness conferred with counsel.)

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. With that understanding, knowing that I am interrogating you only about the expenditure of union funds to Mr. Raddock for personal services he may have performed for you and not for the union, do you still decline and refuse to answer the question?

(Witness conferred with counsel.)

Mr. HUTCHESON. Yes, sir, for the reasons stated.

The CHAIRMAN. And, again, not invoking the privilege of the fifth amendment, you stand only and solely upon the statement you have read?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. And you are not exercising the privilege that, by answering, a truthful answer might tend to incriminate you?

(Witness conferred with counsel.)

Mr. HUTCHESON. No, sir.

The CHAIRMAN. Then the record is made, so far as I know. As I understand your position, you have acted on the advice of counsel and it amounts to simply challenging the jurisdiction of this committee to interrogate you about the expenditure of union funds for personal services that may have been rendered for you rather than for the union. Is that correct?

(Witness conferred with counsel.)

Mr. TRAVIS. Mr. Chairman, I would like to direct the committee's attention at this time to the fact that the refusal goes over and above the jurisdictional question of the committee, and it goes into a matter which—when the statement that the Chair just made refers to the expenditure of union funds for personal matters—have also involved Maxwell Raddock, and in the prior testimony the committee has shown that that relates to this Lake County transaction, for which Mr. Hutcheson is under indictment.

The CHAIRMAN. Well, I think we may very well disagree about that, but I would like to have the answer to my question. The witness

can answer the question or refuse to answer it, or whatever you want to advise him to do.

Mr. TRAVIS. May I have the question read, please?

(The pending question was read by the reporter.)

(Witness conferred with counsel.)

Mr. HUTCHESON. Mr. Chairman, the answer is no, because the question goes beyond the question of a personal matter and reaches into the area of a question under which I am indicted.

The CHAIRMAN. The Chair does not intend to and is not interrogating you about anything concerning the indictment. I am asking you the question of whether you have used union funds to pay Max C. Raddock for personal services rendered to you, period.

(Witness conferred with counsel.)

Mr. HUTCHESON. Sir, counsel advises me that it does reach into the matter under which I am indicted, and advises me to refuse to answer.

The CHAIRMAN. Do you mean by that statement that you have just made, that counsel advises you that it does read into that matter, that he was employed in connection with the matters in the indictment some way? You can answer that "yes" or "no" or refuse to answer it. I am not talking about that.

Mr. HUTCHESON. On advise of counsel, I refuse to answer on the same grounds as previously related, sir.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs you to answer this question. I will try to repeat the question, just as it is in the record.

Have you paid Max C. Raddock out of union funds for personal services rendered to you at any time within the past 5 years?

(Witness conferred with counsel.)

Mr. HUTCHESON. On advise of counsel, I refuse to answer on the same ground as previously related.

The CHAIRMAN. With the approval of the committee, the Chair orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Proceed, Mr. Kennedy.

Senator ERVIN. Mr. Chairman?

The CHAIRMAN. Senator Ervin.

Senator ERVIN. Have you used union funds to pay Max C. Raddock for any services rendered to you personally, wholly disassociated from any matters out of which the pending criminal charge arose?

(Witness conferred with counsel.)

Mr. HUTCHESON. On advise of counsel, I refuse to answer on the same ground.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Senator ERVIN. Is your refusal to answer questions concerning the use of union funds in situations wholly disassociated from any of the circumstances connected with the indictment against you based upon the theory that the due process clause embraces the protection afforded by the fifth amendment against self-incrimination?

(Witness conferred with counsel.)

Mr. HUTCHESON. Sir, my attorneys advise me that that is a question on constitutional law and I am not qualified to answer it.

Senator ERVIN. Then are you telling this committee that you are not refusing to answer any of these questions concerning the use of funds in areas outside of the matters covered by the indictment, are not based in any way upon your belief that your answers to the questions would tend to incriminate you?

(Witness conferred with counsel.)

Mr. HUTCHESON. Sir, the grounds that have been related and included in the record are the grounds that I am going to stand on, on this question.

Senator ERVIN. What I am asking you is this: You say you are not invoking the privilege of self-incrimination; is that right?

Mr. HUTCHESON. That is right.

Senator ERVIN. And you do not contend that due process of law, in and of itself, includes a privilege against self-incrimination?

(Witness conferred with counsel.)

Mr. HUTCHESON. Sir, that is a legal question. I am not qualified to answer.

Senator ERVIN. Well, you have been advised by your counsel. You base your right to answer on the advice of counsel. So, I ask you if your counsel has given you to understand, and if that influences your refusal to answer, that the due-process clause does embrace the privilege against self-incrimination.

(Witness conferred with counsel.)

Mr. HUTCHESON. Sir, counsel has not advised me on that particular issue.

Senator ERVIN. You realize that the invocation of a constitutional privilege is a matter which is personal to a witness, do you not?

(Witness conferred with counsel.)

Mr. HUTCHESON. I am sorry, but I just don't know anything about it, sir.

Senator ERVIN. Do you mean that you don't understand the fact that a person who is a witness does not have to invoke a constitutional privilege against testifying? In other words, don't you realize that that is a privilege which a witness is allowed by the Constitution itself to waive?

(The witness conferred with his counsel.)

Mr. HUTCHESON. Sir, that is a matter on which I am not informed.

Senator ERVIN. Well, you can ask the counsel. You are taking advice from your counsel. Ask the counsel if that is not a fact; that a witness has the right to waive any constitutional privilege against testifying, whether it is based on the 14th amendment, or the 1st amendment, or the 5th amendment. You are acting on advice of counsel: so ask your counsel's advice on that, and advise the committee.

(The witness conferred with his counsel.)

Mr. HUTCHESON. Sir, I have been advised that certain matters related to this subject might be claimed to relate or to aid the prosecution of the case in which I am under indictment and, thus, be in denial of due process of law.

Senator ERVIN. The committee has tried, the counsel of the committee, the chairman of the committee, and myself have tried, to make it as clear to you as the English language permits anyone to make anything clear, that these questions relate to matters that are wholly disassociated from the circumstances out of which the indictment now

pending against you arose, and you tell me that you still do not understand that we are refraining from asking you questions about the matters out of which the circumstances connected with the indictment are not concerned?

Mr. TRAVIS. Senator, I am a little confused myself on that question. Could it be read again?

Senator ERVIN. We have repeatedly stated, to Mr. Hutcheson, that we are not asking him to make any revelations about any circumstances that have any connection whatever with the indictment pending against him, but we are asking him about the use of union money under circumstances entirely disassociated from the matters out of which the indictment arises.

(The witness conferred with his counsel.)

Mr. TRAVIS. Mr. Chairman, of course, I have to assume the responsibility for advising this witness, and have done so, and the specific question which I believe you referred to about the expenditure of union funds for matters not connected with the union, if answered, and a refusal to answer the other question as to whether it was connected with union matters might lead to the inference that Mr. Raddock was paid moneys out of union funds for personal matters.

Senator ERVIN. With all due respect to counsel, that does not seem to be a really relevant observation. What we were talking about, Counsel, was that we were asking him about the use of union funds for purposes wholly disassociated with the circumstances out of which the indictment arises.

Mr. TRAVIS. I think that is just where the inference might arise.

Senator ERVIN. In other words, you are telling the committee that, in your opinion, if he answers a question about matters wholly disassociated from the circumstances out of which the indictment arises, that will constitute an inference that he made payments in connection with the circumstances out of which the indictment arose?

Mr. TRAVIS. Yes.

Senator ERVIN. That is something I am unable to comprehend, with all due respect to counsel. I have a high respect for the function of counsel. Certainly, as a practicing lawyer, and while in this committee, I always have resented any effort to question a man about circumstances that involved a pending indictment. But the fact that a man is involved in a pending indictment does not give him a right under either the 14th amendment or any other amendment that I know of to refuse to answer questions in wholly disassociated areas. That is what this committee is talking to.

Mr. TRAVIS. I hope you realize, Senator, it is a very delicate question for me and a very heavy responsibility. But, knowing what I do about the matter under which he is indicted, I have to exercise my judgment as best I can. There are certain areas that I have determined I cannot safely allow Mr. Hutcheson to testify, and which I think would violate his fundamental rights if he was forced to.

Senator ERVIN. I understand your position very clearly; that it is your opinion that Mr. Hutcheson can't give the committee any information about the use of union funds in any area of his personal activity for fear that it might raise some inference against him in a matter wholly disassociated. I was interested in the question as to whether his refusal to answer is based in any way upon the understand-

ing that the 14th amendment includes a right to refrain from self-incrimination.

Mr. TRAVIS. I don't think the witness, himself, understands anything about constitutional law, if I may put it that way.

Senator ERVIN. I was asking so that this committee can clarify itself, and so that some day maybe some court will rule on the question of where the people that drew the Constitution wasted the ink that wrote the fifth amendment on the provision against self-incrimination when they put in the due-process clause. I was trying to ask him to ask his counsel if the advice of counsel was based in any part, the advice of counsel that he should refrain from answering, was based in part upon the understanding or theory that the due-process clause embraced within its purview the right to refrain from self-incrimination as set forth in the fifth amendment.

Mr. TRAVIS. Of course, I think any man under indictmental guaranties of due process of law should not be questioned in any form concerning any matter that might remotely in any way aid the prosecution in that case.

Naturally, this committee can't sit as prosecutors or judges or jurors in that matter under which Mr. Hutcheson is indicted.

I think there are fundamental guarantees to any person under indictment that that matter shall be tried solely in the forum where the indictment lies.

Senator ERVIN. Your theory is a very intriguing one, and that is that if a man is under indictment for any offense, he can't be asked any questions about anything else. That is what it amounts to, even though these other things are wholly disassociated.

But I am interested in the question of the scope of the 14th amendment on this basis because the committee wants to know exactly what the man is refusing to answer concerning wholly disassociated things.

That is all.

Before I pass over, I respect the duty of counsel. I have been a lawyer many times for many, many clients, and I regretted many times when I practiced law that I could not find a basis for getting quite as complete an exemption from testifying.

Mr. TRAVIS. I think, Senator, you have found, too, since you started practicing law that today the Constitution might have a little different meaning over the intervening years in some respects.

Senator ERVIN. I will make the confession that what I was taught about Constitution in law school and what I used to read in lawbooks about it is somewhat outmoded and that some of the principles that have come about are as variable and changing as a shifting in the temporary occupants of the seats on the bench of the Supreme Court of the United States.

The CHAIRMAN. I think the record is clear from the witness' testimony and from the record made that the witness has not and does not invoke the fifth-amendment privilege in his declining to answer the questions that have been put to him.

Are we correct then in that understanding?

Mr. TRAVIS. Very definitely, Senator.

Mr. KENNEDY. Let the witness answer.

The CHAIRMAN. I am asking the witness.

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. My understanding, then, is correct.

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. So there will be no misinterpretation of the record, I simply wanted to have the witness state it again.

All right, proceed.

Mr. KENNEDY. Mr. Chairman, we have some material that I will just ask Mr. Hutcheson about.

One is Mr. Raddock's trip down here to Washington, D. C., when he stayed at the Hotel Washington, and his bill was paid out of union funds.

Could you tell us what he was doing down here for the union?

Mr. HUTCHESON. I would have to know the date, Mr. Kennedy.

Mr. KENNEDY. I will give it to you.

He was here on September 3 of 1957, September 3d through the 5th, 1957, and he stayed at the Hotel Washington.

(The witness conferred with his counsel.)

Mr. HUTCHESON. I couldn't answer that offhand, Mr. Kennedy, without checking up.

The CHAIRMAN. The question primarily would be: Was he here on union business, if he was paid by union funds?

Mr. HUTCHESON. If the bill was O. K.'s and paid by the organization; yes, sir. Senator, he was.

Mr. KENNEDY. What was he doing here in Washington on that day?

Mr. HUTCHESON. I couldn't answer it without doing some checking up on it.

Mr. KENNEDY. You were down here with him, were you not, at that time?

Mr. HUTCHESON. I don't recall.

Mr. KENNEDY. You were also here on the third and fourth, the record shows, and both of your bills were paid by the carpenters.

Then there was the transportation down here to Washington. Could you tell us what it was that you were doing down here?

Mr. HUTCHESON. I couldn't remember, Mr. Kennedy. I am in and out of Washington so often that I can't remember just what each trip is.

Mr. KENNEDY. Then on September 10. Mr. Raddock flew out to Chicago, Ill. What was he doing out there, on September 10, 1957?

(The witness conferred with his counsel.)

Mr. HUTCHESON. Upon advice of counsel, I refuse to answer on the same ground as previously related.

Mr. KENNEDY. I am sorry.

But he was also out there on August 11, in Chicago, would you tell us what he was doing out there?

The CHAIRMAN. Was that paid for by the union?

Mr. KENNEDY. The union paid charges of \$94.27 for that trip of Mr. Raddock to Chicago.

Mr. HUTCHESON. On the advice of counsel I refuse to answer the question on the same grounds as previously related.

The CHAIRMAN. All right. The question is: Was he there on union business for which the union had the responsibility for payment?

Mr. HUTCHESON. On the advice of counsel I refuse to answer sir.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

(The witness conferred with his counsel.)

Mr. HUTCHESON. I still refuse on the same grounds.

The CHAIRMAN. I asked you a moment ago if he was here in Washington on union business, the trip counsel interrogated you about, and you said if the union paid for it, yes, he was on union business.

Now we are asking you about the trip to Chicago, on the 11th of August 1957. It appears from the records that the union paid his expenses on that trip. Was he on union business at that time?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same ground.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Do we have the records of payments by the union?

Mr. KENNEDY. Yes, we do.

The CHAIRMAN. Who can testify to this on the staff?

Mr. KENNEDY. Mr. Tierney.

#### TESTIMONY OF PAUL J. TIERNEY—Resumed

The CHAIRMAN. Mr. Tierney, you have been previously sworn?

Mr. TIERNEY. Yes, sir.

The CHAIRMAN. Mr. Tierney, you may identify the document which the Chair hands you.

Mr. TIERNEY. This is a document furnished us by the United Brotherhood of Carpenters, Indianapolis, Ind.

The CHAIRMAN. Is that a document from their records?

Mr. TIERNEY. This is a document prepared by the general counsel of Carpenters, upon our request, and it shows Maxwell Raddock was issued an air travel card by the United Brotherhood of Carpenters, and this is a list of all the charges made against that air travel card for travel by Raddock from April 1956 through November 1957.

The CHAIRMAN. That document may be made exhibit No. 58.

(The document referred to was marked "Exhibit No. 58" for reference and may be found in the files of the select committee.)

The CHAIRMAN. Does that document, furnished you by the general counsel from the Brotherhood of Carpenters, show that Mr. Maxwell C. Raddock submitted or received payment from the Brotherhood of Carpenters for the trip to Chicago on the date of August 11, 1957?

Mr. TIERNEY. It does. It shows that he was paid for a round-trip passage between New York and Chicago on August 11, 1957.

The CHAIRMAN. May I inquire, now: Have you examined the hotel records there to ascertain who paid the hotel bill of Mr. Raddock on that trip?

Mr. TIERNEY. I have, Mr. Chairman.

The CHAIRMAN. Has the hotel record previously been made an exhibit?

Mr. TIERNEY. Yes, it has.

The CHAIRMAN. Exhibit No. 45, A & B.

I hand you this exhibit and ask you to examine it and state who paid the hotel bill for Mr. Raddock on that trip, and how much.

Mr. TIERNEY. This exhibit shows that the United Brotherhood of Carpenters and Joiners of America paid for Maxwell Raddock's stay

at the Drake Hotel from August 11 through August 17, a total of \$147.10.

The CHAIRMAN. \$147 plus \$97 is what the records of the brotherhood and the hotel reflect was paid by the union for that trip?

That much at least?

Mr. TIERNEY. That's correct, sir.

**TESTIMONY OF MAURICE HUTCHESON, ACCOMPANIED BY HOWARD TRAVIS AND F. JOSEPH DONOHUE, COUNSEL—Resumed**

The CHAIRMAN. The question is, Mr. Hutcheson: Were Mr. Rad-dock's expenses paid on that trip by union funds while he was on union business?

Mr. HUTCHESON. On the advice of counsel I refuse to answer the question on the same grounds as previously related, sir.

The CHAIRMAN. The Chair orders and directs the witness to answer the question, with the approval of the committee.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. All right; proceed, Mr. Kennedy.

Mr. KENNEDY. You were out in Chicago at the same time, were you not, with Mr. Raddock?

Mr. HUTCHESON. On advice of counsel, I refuse to answer.

Mr. KENNEDY. You were out in Chicago at the same time?

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same grounds.

The CHAIRMAN. The Chair orders and directs the witness to answer the question, with the approval of the committee.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. The records, Mr. Chairman, indicate that Mr. Hutcheson was present at the same time.

The CHAIRMAN. Were your expenses on that Chicago trip paid by the union?

(The witness conferred with his counsel.)

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same ground as previously related.

The CHAIRMAN. You are ordered and directed to answer the question, with the approval of the committee.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Again with respect to these questions that have been put to you, we are to understand you are not invoking the fifth amendment privilege?

(The witness conferred with his counsel.)

Mr. HUTCHESON. Yes, sir; I am declining on the grounds previously stated.

The CHAIRMAN. And not invoking the fifth amendment privilege?

Mr. HUTCHESON. Yes, sir.

The CHAIRMAN. Yes, or no? Are you or not? Yes or no.

Mr. HUTCHESON. No, I am not.

The CHAIRMAN. Thank you.

Senator ERVIN. Mr. Chairman, may I ask one or two questions along that line and then I will subside?

Mr. Hutcheson, you are familiar with the provisions of the AFL-CIO ethical code concerning officers of affiliated unions who invoke the fifth amendment: aren't you?



Mr. HUTCHESON. Yes, sir.

Senator ERVIN. In that connection I would like to state that this is my opinion of the law, though it may not be your counsel's. The only reason for recognizing the right that a man may not testify concerning matters involved in an indictment against him arises out of the fact that the indictment is probably the strongest kind of evidence that anything he may say in reference to it may be construed to incriminate him, and that the only reason that a man has a right to refrain from answering matters about an indictment is the fact that what he may say about those matters may tend to incriminate him.

Therefore, Mr. Hutcheson, don't you realize that what you are doing is that you are seeking to avoid an expressed violation? In other words, you are seeking to get the benefit of the fifth amendment without invoking it so that you will not run the risk of committing an offense against the ethical code of the A. F. of L.-CIO?

(The witness conferred with his counsel.)

Mr. HUTCHESON. Sir, I have been following the advice of counsel on the grounds outlined by me.

Senator ERVIN. Well, you are concerned that there shall be no actual or apparent violation on your part of the provisions of the A. F. of L.-CIO code of ethics concerning union officers who invoke the fifth amendment when asked about their official conduct, aren't you?

Mr. HUTCHESON. Yes, sir.

Senator ERVIN. That is all.

The CHAIRMAN. One other question on the Chicago matter.

Were you out in Chicago at that time on union business?

(The witness conferred with his counsel.)

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same grounds as previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Do you know Mr. James Hoffa?

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same ground as previously related.

The CHAIRMAN. The Chair orders and directs the witness to answer the question, with the approval of the committee.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. That is, you refuse to tell the committee as to whether you know Mr. James Hoffa?

(The witness conferred with his counsel.)

Mr. HUTCHESON. Yes, sir.

Mr. KENNEDY. Did you make an arrangement with Mr. Hoffa that he was to perform tasks for you in return for your support on the question of his being ousted from the A. F. of L.-CIO?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same grounds as previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

The CHAIRMAN. Proceed.

Mr. KENNEDY. Isn't it a fact that you telephoned Mr. Hoffa from your hotel in Chicago on August 12, 1957?

Mr. HUTCHESON. On the advice of counsel, I refuse to answer, sir, on the same grounds.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse.

The CHAIRMAN. Again the record should clearly show we are interrogating the witness about union affairs.

Mr. KENNEDY. And wasn't that telephone call in fact paid out of union funds, the telephone call that you made to him on August 12?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same grounds as previously related.

The CHAIRMAN. The Chair with the approval of the committee orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. Do you also know Mr. Sawochka, of the Brotherhood of Teamsters?

(The witness conferred with his counsel.)

Mr. HUTCHESON. On the advice of counsel, I refuse to answer on the same grounds as previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. Isn't it a fact that you had Mr. Plymate, who is a representative of the Brotherhood, telephone, and your secretary telephone, Mr. Sawochka from your room on August 13, 1957?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same grounds previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. And isn't it a fact that that telephone bill and that telephone call was paid out of union funds?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same grounds.

The CHAIRMAN. The Chair with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. Were you here at the hotel Washington in September of 1957?

Did you stay at the Hotel Washington?

Mr. HUTCHESON. Well, I don't recall the trip. I probably was, if the hotel bill shows it.

Mr. KENNEDY. Going on to October 13 and 14 of 1957, were you here at the Hotel Washington at that time?

Mr. HUTCHESON. Well, I don't recall right now.

The CHAIRMAN. I hand you here a hotel bill, made out to M. A. Hutcheson, running from October 13 to October 15, 1957. I present it to you for your inspection and identification.

(The document was handed to the witness.)

(The witness conferred with his counsel.)

Mr. KENNEDY. What is the answer?

Mr. HUTCHESON. It is registered to me, Mr. Kennedy.

Mr. KENNEDY. What were you doing down here at that time?

Mr. HUTCHESON. I couldn't answer that.

Mr. KENNEDY. I see.

The CHAIRMAN. That may be made exhibit No. 59.

(The document referred to was marked "Exhibit No. 59" for reference and may be found in the files of the select committee.)

Mr. KENNEDY. On October 14, Mr. Raddock joined you at the Hotel Washington. Why did he come down to Washington?

Mr. HUTCHESON. I don't recall.

Mr. KENNEDY. That wasn't very terribly long ago. What were you doing down here at that time?

Mr. HUTCHESON. Well, Mr. Kennedy, I must have been attending some meetings of some kind, but I do not recollect just offhand what they were.

Mr. KENNEDY. You and he were occupying the same room. You don't remember what you were doing here?

Mr. HUTCHESON. No, sir, I do not.

Mr. KENNEDY. He made a number of telephone calls. His bill was paid out of union funds. The first telephone call he made on October 14, 1957, was to Gary, Ind.

(The witness conferred with his counsel.)

Mr. KENNEDY. Would you tell us what he was doing at union expense calling Gary, Ind.?

Mr. HUTCHESON. I know nothing about the telephone call, sir.

Mr. KENNEDY. It was to Local 142 in Gary, Ind. What was that for?

Mr. HUTCHESON. I wouldn't know.

Mr. KENNEDY. You have no idea?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. You have no idea why he should be calling local 142 of the Teamsters in Gary, Ind.?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. Did you have any business with local 142 of the Teamsters in Gary, Ind.?

Mr. HUTCHESON. On the advice of counsel I refuse to answer on the same grounds as previously related.

The CHAIRMAN. The Chair, with the approval of the committee, orders and directs the witness to answer the question.

Mr. HUTCHESON. I still refuse, sir.

Mr. KENNEDY. We have a number of others, Mr. Chairman, but I want to move it along.

Mr. Hutcheson, do you have some property adjoining the general offices of the international in Indianapolis?

Mr. HUTCHESON. Sir?

Mr. KENNEDY. Do you have a parking lot that adjoins the international headquarters?

Mr. HUTCHESON. Do I have it?

Mr. KENNEDY. Does the international have a parking lot?

Mr. HUTCHESON. Yes, sir; the international does.

Mr. KENNEDY. To whom is that leased?

Mr. HUTCHESON. To Wells, James Wells.

Mr. KENNEDY. Who is he?

Mr. HUTCHESON. He is my brother-in-law.

Mr. KENNEDY. How much does the international receive for that?

Mr. HUTCHESON. \$200 per month.

Mr. KENNEDY. Do you know how much he receives for renting out as a parking lot?

Mr. HUTCHESON. Well, I don't know how much he receives; no, without the records.

Mr. KENNEDY. The Brotherhood gets about \$2,500 for that parking lot for the year?

Mr. HUTCHESON. \$2,400 a year.

Mr. KENNEDY. His net profit in 1957 was \$8,000. Did you know that?

Mr. HUTCHESON. No; I did not.

Mr. KENNEDY. Did you try to get any other lessee for the property? Did you find out whether anybody would pay any more for the property?

Mr. HUTCHESON. We did at the beginning, and there were some around. But under the conditions under which he rented it, they were not interested at that time. The lot was for the purpose of supplying the employees with parking spaces for our building. They didn't require the whole thing so then we decided to rent out the balance so they could look after the lot.

Mr. KENNEDY. Is that a yearly rental, renewed each year?

Mr. HUTCHESON. No, sir; it is on a 30-day basis, a month-to-month basis.

Mr. KENNEDY. Have you tried to see if anyone would pay any more for it since 1950 or 1951?

Mr. HUTCHESON. No; we have not. We used the parking lot ourselves for our employees up to 1955, the beginning of 1955, and he only had less than half of the lot up to that time.

Mr. KENNEDY. Do you have a home, a hunting and fishing lodge, in Wisconsin?

Mr. HUTCHESON. Yes; I do.

Mr. KENNEDY. Have you gone up there at union expense? Have you traveled up there at union expense on occasion?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. You never have?

Mr. HUTCHESON. Well, I might have used an air travel card once or twice. I don't remember that.

Mr. KENNEDY. And has Mr. Charles Johnson joined you up there on occasion?

Mr. HUTCHESON. Well, he has been up there.

Mr. KENNEDY. And Mr. Chapman on occasion also?

Mr. HUTCHESON. Yes, he has been up there.

Mr. KENNEDY. And have you been drawing, you personally been drawing, your per diem while you were up there?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. Well, the records would seem to indicate that you have, Mr. Hutcheson. Is that incorrect?

Mr. HUTCHESON. Well, I don't know what records you are referring to, sir.

Mr. KENNEDY. Were you up there for about 60 days in 1955?

Mr. HUTCHESON. No, sir.

Mr. KENNEDY. How long were you up there?

Mr. HUTCHESON. I would have to check up there to find out. I have never went up there for 60 days.

Mr. KENNEDY. Do you have any other interests up there? What other reasons would you have for going up to the Iron Mountain, Wis.?

Mr. HUTCHESON. The airlines goes into Ironwood.

Mr. KENNEDY. What other reason would you have for going up there?

Mr. HUTCHESON. What other reason?

Mr. KENNEDY. Other than to visit your camp.

Mr. HUTCHESON. We have local organizations up through there.

Mr. KENNEDY. Have you traveled very much to visit your local organizations?

Mr. HUTCHESON. To some degree, yes; the same as other places.

Mr. KENNEDY. How long would you stay up there in connection with that?

Mr. HUTCHESON. I would have to know the particular trip.

Mr. KENNEDY. We have the records here. On June 9, 1955, you went up from June 9 to June 15, and then on July 1 you drove up there, returned on the 13th; then flew back on the 14th and returned on the 26th, 1955. Do you remember those trips?

Mr. HUTCHESON. I don't recall them clearly; no.

Mr. KENNEDY. August 29 you drove up, with Mr. Chapman; returned on September 12; went back up again on September 29 and came back on October 10. The cost according to the records of the international, was, for you, \$1,560; for Chapman, \$870.

In 1956—do you want to say anything about that?

Mr. HUTCHESON. I couldn't review the thing or discuss it without having the records in front to help me.

Mr. KENNEDY. The records indicate that your expenses up and your expenses back, plus per diem, were paid out of union funds while you were up there, for a total of \$1,560 in 1955; \$1,350 in 1956; \$800 in 1957; for a total of \$3,710 for you; in 1955, Chapman, \$870; and Johnson in 1956, \$200. These are the records.

Mr. HUTCHESON. Mr. Kennedy, I cannot comment on what records you are referring to without having copies of the records myself.

Mr. KENNEDY. Do you deny that your trip up to your camp was paid out of union funds?

Mr. HUTCHESON. I say that I not intentionally at any time have charged it to the union.

Mr. KENNEDY. What about your per diem of \$7 or your per diem of \$15? Was that charged to union funds?

Mr. HUTCHESON. The \$7 was; yes.

Mr. KENNEDY. What about the \$15?

Mr. HUTCHESON. No, sir; not while I am up there.

Mr. KENNEDY. It never was?

Mr. HUTCHESON. Not to my knowledge.

Mr. KENNEDY. Is it possible that it was?

Mr. HUTCHESON. Well, it might have been possible.

Mr. KENNEDY. The way that your bills were submitted, you see, it was just traveling expenses for a particular period of time, and the bills show they paid you the \$15 while you were up there, plus the \$7.

Mr. HUTCHESON. I would have to look at them.

The CHAIRMAN. I hand you what I understand to be the union records regarding these payments. I ask you to examine them and state whether those records are correct.

Mr. KENNEDY. Mr. Chairman, maybe he could look those over and we have another witness we could put on briefly?

The CHAIRMAN. All right. While you are examining those, you may stand aside briefly and we will call another witness.

Mr. KENNEDY. Mr. Chairman, this is on a matter we have discussed before, which is a matter of some delicacy and some problem, because it deals mainly with a man who is now deceased.

I have explained the circumstances to you.

The CHAIRMAN. Can we do it briefly?

Mr. KENNEDY. We can.

I will tell the chairman, as I have told him privately, that I have gone to the representative of the International Brotherhood of Carpenters and also the representative of Mr. Hutcheson, who is now the general president of the Carpenters, and said that we had the information indicating that there was a misuse or embezzlement of some property of the International Brotherhood of Carpenters, and that the embezzlement was on the part of the former president of the Carpenters, Mr. Hutcheson, Sr. I said that in view of the fact that Mr. Hutcheson was dead and was obviously not able to come here and answer the questions himself, the committee would be glad to settle this matter in private; that if we could have an impartial third party we would submit the information that the committee had to this impartial third party in private and let the impartial third party then make a decision as to whether this property in fact now belongs to the International Brotherhood of Carpenters rather than to the heirs of Mr. Hutcheson.

The CHAIRMAN. The question is not to reflect upon anyone other than to try to ascertain whether the property properly belongs to the union, is that correct?

Mr. KENNEDY. That is correct.

As I said, we tried to work it out so that the matter would not be made public.

The CHAIRMAN. In other words, the investigation made by the staff indicates that this property to which you refer properly belongs to the union and not to the heirs of Mr. Hutcheson deceased?

Mr. KENNEDY. That is correct. We have had these conferences and discussions with the representatives of the International Brotherhood, and also with an attorney for Mr. Hutcheson, Jr.

Most of this property is now in trust. It was the feeling of the attorneys for the international that they could not make any commitment. It was the feeling of the attorney for Mr. Hutcheson, Jr., that this was a matter now before the courts, or it was in trust, and as being property in trust that Mr. Hutcheson, Jr., could not make any commitment on it.

The CHAIRMAN. What is the approximate sum?

Give us an estimate or value of the value of the property. If it is a trifling matter, I don't think the committee should go into it.

Mr. KENNEDY. The present value of the property, Mr. Chairman, is approximately a quarter of a million dollars.

The CHAIRMAN. Some \$250,000 value is involved?

Mr. KENNEDY. At the present time. That is what the property is worth.

The CHAIRMAN. All right. Proceed. Who is your witness?

Mr. KENNEDY. The witness has an extensive memorandum, Mr. Chairman, on this whole matter, and he can put the memorandum into the record and summarize it, if you wish.

Mr. TRAVIS. Mr. Chairman, in all fairness, so that no inferences can be drawn, I answered Mr. Kennedy's proposal on behalf of Mr. Hutcheson, and I would like to have the committee know the reasons I gave for having to refuse that proposal. The property is now, as I understand it, and I just learned this myself since this started—I knew nothing of it—is a piece of real estate which is now owned by the trustees of William L. Hutcheson's estate. As I pointed out to Mr. Kennedy, the probate court of Marion County, Ind., could not delegate its functions to an arbiter even if we wanted to. Mr. Hutcheson himself is a trustee and as a trustee cannot commit trust property, of course, without the authority of the court. But as I understand it, the matter is again going to be reviewed, since it has been brought up.

Of course, William L. Hutcheson, being dead, is the real man who can tell us. As I understand it, no man is alive today who can. But it is my understanding that Maurice Hutcheson will review the matter with their executive board.

The CHAIRMAN. They may do so. We will place in the record the work that the staff has done on that and get just a brief summary so that if we have information here that is of interest to and for the welfare of the membership of the Carpenters' Union, it should be, of course, placed in the record.

Mr. TRAVIS. I wanted the committee to know that it was impossible to accept it.

The CHAIRMAN. I clearly understand.

Incidentally, that is a signal for a rollcall vote in the Senate.

Have you been sworn in this series of hearings?

Mr. RANSTAD. No, sir, Mr. Chairman.

The CHAIRMAN. Do you solemnly swear the evidence you shall give before this Senate select committee shall be the truth, the whole truth and nothing but the truth, so help you God?

Mr. RANSTAD. I do.

### TESTIMONY OF HAROLD RANSTAD

The CHAIRMAN. State your name, your place of residence, and business or occupation.

Mr. RANSTAD. My name is Harold Ranstad. I live in Washington, D. C., and I am a member of the professional staff of this committee.

The CHAIRMAN. Have you made an examination of the real estate matters that the counsel has just referred to?

Mr. RANSTAD. Yes, sir, and also the stock transactions.

The CHAIRMAN. Also what?

Mr. RANSTAD. Stock transactions, capital stock transactions.

The CHAIRMAN. Have you made a summary of it?

Mr. RANSTAD. Yes, sir.

The CHAIRMAN. A memorandum?

Mr. RANSTAD. Yes, sir.

The CHAIRMAN. That memorandum may be made exhibit No. 60.

(The document referred to was marked "Exhibit No. 60" for reference, and may be found in the files of the select committee.)

Mr. KENNEDY. He has made a more exact study of it. What is the approximate value of the property at this time?

Mr. RANSTAD. It is approximately as you stated, Mr. Kennedy, roughly. That was based in part on an estimate of the value of real estate.

The CHAIRMAN. The chairman will issue the following statement:

It appears that at the very least, Mr. Hutcheson, as president of the United Brotherhood of Carpenters and Joiners was grossly careless with the use of union funds and completely failed to meet the responsibility of his trust. That such an excessive amount of money should have been paid for the printing and writing of the book on his father is almost inconceivable.

O. William Blaier and Frank Chapman, as well as other top officers of the Carpenters Union, bear responsibility with Hutcheson in the handling of this matter, which obviously cost the Carpenters some \$185,000 in excess of value received.

Mr. Raddock perpetrated a fraud against this union. From the facts developed, it is apparent that only a small number of the books on William Hutcheson would likely have ever been printed if it had not been for the investigation this committee has conducted.

The facts that lead to this conclusion are:

1. That Mr. Raddock had already spent almost all of the money that the Carpenters had paid him in financing his other businesses and projects and paying off his debts.

2. That he had to borrow money in order to pay for the books that were finally published in January and February 1958.

3. He predated certain letters in order to make it appear that he was, in fact, intending to publish the book prior to the start of this investigation.

Mr. Raddock was involved in other frauds; in the operation of his newspaper; in claims by his solicitors; in the sale and purchase of World Wide Press bonds. That so much of this should have been financed by union funds is extremely unfortunate.

The testimony further indicates that certain high officials of both the Teamsters and the Carpenters Unions, two of the largest unions in the country, with the help and assistance of Mr. Raddock were involved in a conspiracy to subvert justice in the State of Indiana.

All the facts regarding this conspiracy undoubtedly have not been developed by the committee.

Further exposure we believe can and should be made. We will be glad to assist and help law enforcement officials in the State of Indiana if they determine that they would interest themselves in the matter.

It is also my hope that the Carpenters Union itself will take whatever action it is possible for it to take to recover the moneys now in the possession of the heirs of Mr. Hutcheson which would appear to rightfully belong to the international brotherhood.

The Chair would also like to express the appreciation of the committee for the fine work done by the staff of the committee, under the competent direction of our chief counsel, Mr. Robert Kennedy.



These members of the staff include: Karl Deibel, Charles Mattox, Charles Wolfe, John Prinos, Frank Ward, Maurize Frame, Andrew Masyko, Richard Sinclair, Harold Ranstad, Robert Dunne, and Paul Tierney.

The committee thanks each of them for the fine work they have done.

Mr. TRAVIS. Do I understand Mr. Hutcheson to be released from his subpoena?

Mr. KENNEDY. Yes. Does he want to make any statement?

Mr. TRAVIS. I believe not.

Mr. KENNEDY. Mr. Chairman, that is all.

The CHAIRMAN. The committee stands adjourned, subject to the call of the Chair.

(Whereupon, at 1:48 p. m. the hearing was recessed subject to the call of the Chair, with the following members present: Senators McClellan and Ervin.)



# APPENDIX

EXHIBIT No. 1

## UNITED STATES OF AMERICA.

Congress of the United States

L-3342

To Ernest Mark High, individually and as publisher of the  
publication "The Spotlight", Empire State Building,  
New York, N. Y. Greeting:

Pursuant to lawful authority, YOU ARE HEREBY COMMANDED to  
 appear before the SENATE SELECT Committee on IMPROPER ACTIVITIES  
 IN THE LABOR OR MANAGEMENT FIELD of the Senate of the United  
 States, on forthwith, 1950, at        o'clock  
       m., at their committee room, 101 Senate Office Building, Washington 25, D.C.  
 then and there to testify what you may know relative to the subject matters  
 under consideration by said committee, and produce all your personal books  
 and records, cash receipts and disbursement records, cancelled checks, retained  
 copies of state and federal income tax returns, and all of said records  
 reflecting the operation of the publication, "The Spotlight", also including  
 all advertising or circulation contracts, employee records, withholding  
 tax statements, contracts and correspondence with any labor organization,  
 and all related documents for the period January 1, 1950 to date.

Whereof fail not, as you will answer your default under the pains and pen-  
 alties in such cases made and provided.

To         
 to serve and return.

Given under my hand, by order of the committee, this  
13th day of May, in the year of our  
 Lord one thousand nine hundred and fifty-eight.

*John M. McClellan*  
 Chairman, Senate Select Committee on Improper Activities  
 in the Labor or Management Field.

3190

... May 13, 1950  
 I made service of the within subpoena  
 by personally serving  
 the within-named Ernest Mark  
High at  
Room 1241-12, Empire  
State Building,  
New York, N.Y.  
 at N.Y.C. about 4 p.m., on  
 the 13th day  
 of May, 1950  
Robert L. Coffey

EXHIBIT No. 2

May 13, 1958

Ernest Mark High  
The Spotlight  
Empire State Building  
New York, N. Y.

Dear Mr. High:

Confirming telephone conversation with Mr. Dunn of this staff, it is requested that an appointment be set up at the earliest possible time, preferably Wednesday, May 14, 1958, for the purpose of interviewing you concerning the operations of "The Spotlight".

There is attached a subpoena duces tecum covering books and records of your organization. While it requires the forthwith production of these records in Washington, you are advised that, at your option, we will examine them at your offices or at our New York office.

Sincerely yours,

RED:sh

ROBERT F. KENNEDY  
CHIEF COUNSEL

## EXHIBIT No. 3

<b>DOMESTIC SERVICE</b> Check the class of service desired. Otherwise this message will be sent as a day telegram.	<h1 style="margin: 0;">WESTERN UNION</h1> <h2 style="margin: 0;">TELEGRAM</h2> <p style="font-size: small;">1211 (4-55)</p> <p style="font-size: x-small;">W. P. MARSHALL, President</p>	<b>INTERNATIONAL SERVICE</b> Check the class of service desired. Otherwise this message will be sent at the full rate.
TELEGRAM DAY LETTER NIGHT LETTER		FULL RATE LETTER TELEGRAM SHORE SHIP
NO. WORDS - CL. OF SVC.	PD. OR COLL.	CASH NO.
CHARGE TO THE ACCOUNT OF		TIME FILED

Send the following message, subject to the terms on back hereof, which are hereby agreed to

MAY 20, 1958

**MR. ERNEST MARK HIGH  
 AFL SPOTLIGHT  
 EMPIRE STATE BUILDING  
 NEW YORK, NEW YORK**

**PURSUANT TO SUBPENA DUCES TECUM SERVED ON YOU,  
 YOU ARE HEREBY DIRECTED TO APPEAR IN ROOM 101,  
 SENATE OFFICE BUILDING, WASHINGTON, D.C., AT  
 2:00 P.M. ON THURSDAY, MAY 22, 1958.**

**JOHN L. McCLELLAN  
 CHAIRMAN  
 SENATE SELECT COMMITTEE ON  
 IMPROPER ACTIVITIES IN THE  
 LABOR OR MANAGEMENT FIELD.**

**OFFICIAL  
 ROOM 101**

**RED:KOD:amr**

# WESTERN UNION TELEGRAM

W. A. MARSHALL, President

## CLASS OF SERVICE

This is a fast message unless so delivered character is indicated by the proper symbol.

## SYMBOLS

DL = Day Letter  
NL = Night Letter  
LT = Longitudinal  
LT = Longitudinal

1201

The time shown in the date line on domestic telegrams is STANDARD TIME or TIME OF ORIGIN. Time of receipt is STANDARD TIME or TIME OF ORIGIN. Time of receipt is STANDARD TIME or TIME OF ORIGIN.

SY8001

SY EZAG75 PS-67 NEW YORK NY 21 1050AM-

HON JOHN L MCCLELLAN CHAIRMAN 69 SEN

SENATE SELECT COMMITTEE ON IMPROPER ACTIVITIES

IN THE LABOR OR MANAGEMENT FIELD-

SENATE OFFICE BLDG WASHDC-

THIS MORNING AT 10 AM I RECEIVED A TELEGRAM FROM YOU DIRECTING ME TO APPEAR IN ROOM 101 SENATE OFFICE BUILDING TOMORROW AT 2 PM I RESPECTFULLY REQUEST AN EXTENSION OF TWO WEEKS LETTER CONTAINING THE URGENT REASONS IMPELLING THIS REQUEST FOR AN EXTENSION FOLLOWS-

ERNEST M NICH THE SPOTLIGHT-

436648 - MANAGEMENT

REC'D

ROUTED

INITIAL FILE NO.

## EXHIBIT No. 6

*Reduce the rate down to available then*

# WESTERN UNION

## TELEGRAM

SELECT COMMITTEE  
ON LABOR MANAGEMENT

1220  
(R 11-54)

1958 MAY 21 1958

SYMBOLS	
DL	Day Letter
NL	Night Letter
LT	International Letter Telegram

SYA577

INITIAL

FILE NO.

BY 81A773 LONG NL PD=SI NEW YORK NY 21=

1958 MAY 21 PM 9 07

HON JOHN L MCCLELLAN, CHAIRMAN, SENATE SELECT  
COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR  
MANAGEMENT FIELD= SENATE OFFICE BLDG WASHDC=

YOUR SECOND TELEGRAM OF THE DAY ARRIVED PRIOR TO THE  
CONCLUSION OF A LETTER I WAS PREPARING EXPLAINING THE  
REASONS FOR REQUESTING A TWO WEEK EXTENSION OF MY  
APPEARANCE BEFORE YOU. MY REQUEST FOR AN EXTENSION IS  
MADE IMPERATIVE BY MY INABILITY TO COMPLY WITH YOUR  
SUBPOENA BECAUSE OF MY PHYSICAL CONDITION. I FULLY

INTEND TO COMPLY WITH YOUR SUBPOENA AS SOON AS I AM  
PHYSICALLY CAPABLE OF DOING SO. AMONG OTHER ILLNESSES I  
SUFFER FROM A DIAPHRAGMATIC HERNIA AND ACUTE  
HYPERTENSION FOR WHICH I RECENTLY WAS TREATED AT A  
SANATORIUM FOR FOURTEEN WEEKS. THE MEDICAL STAFF  
UNANIMOUSLY AGREED THAT MY HYPERTENSION WAS AT A POINT  
BORDERING A FATAL STROKE. THIS MORNING ONE OF THESE  
DOCTORS WARNED ME AGAINST GETTING INTO AN ATMOSPHERE  
CHARGED WITH EXCITEMENT AND TENSION UNTIL HE COULD  
EXAMINE ME UNDER CLINICAL CONDITIONS AND BE CERTAIN  
THAT MY APPEARANCE WOULD NOT JEOPARDIZE MY LIFE.  
ARRANGEMENTS FOR SUCH AN EXAMINATION HAVE BEEN MADE AND I  
THEREFOR RESPECTFULLY RENEW MY REQUEST FOR A TWO WEEK  
ADJOURNMENT=

ERNEST M HIGH THE SPOTLIGHT=.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

## CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

## TELEGRAM

W. P. MARSHALL, President

## SYMBOLS

DL = Day Letter  
NL = Night Letter  
LT = International Letter Telegram

1220  
(8-15-54)

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

PA015 DB586

D LLA448 LONG NL PD=DALLAS TEX 3-

ROBERT F KENNEDY, CHIEF COUNSEL-

SENATE SELECT COMMITTEE ON IMPROPER ACTIVITIES  
IN THE LABOR MANAGEMENT FIELD ROOM 101 SENATE  
OFFICE BLDG WASHDC-

WILL REFERENCE TO CONVERSATION WITH A MR KOTA, BE  
ADVISED THAT I AM PRESIDENT AND GENERAL MANAGER OF A  
COMPANY ENGAGED IN THE PROCESSING AND DISTRIBUTION OF  
DAIRY PRODUCTS AND OPERATORS OF A CHAIN OF SMALL FOOD  
STORES. OUR PLANTS, SALES BRANCHES, AND STORES ARE  
LOCATED THROUGHOUT NORTH, EAST AND WEST TEXAS. IN  
CONNECTION WITH ADMINISTRATIVE DUTIES IT HAS BEEN FOUND  
TO BE CONVENIENT TO RECORD INTERBRANCH TELEPHONE  
CONVERSATIONS TO PRECLUDE POSSIBILITY OF MEMORY  
FAILURE AS TO DETAILS AND TO PROVIDE ACCURATE WRITTEN  
CONFIRMATION OF SUCH CONVERSATIONS. THE SAME SITUATION  
PREVAILS WITH REFERENCE TO CONVERSATIONS WITH  
SUPPLIERS AND CUSTOMERS AS TO CONFIRMATION OF PRICES,  
CONDITIONS, SHIPPING DATES ETC. THIS OCCASIONED ROUTINE  
RECORDING OF CONVERSATION WITH MR KOTA SINCE WE

OK

JUN 2 1958

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE.



## CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

# WESTERN UNION

## TELEGRAM

W. P. MARSHALL, President

1220  
(R R-54)

## SYMBOLS

DL = Day Letter

NL = Night Letter

LT = International Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

9A015  
1 20LLA448/2

JAN 4 12 16

TRANSACTION BUSINESS FROM TIME TO TIME WITH SEVERAL NEW YORK FIRMS. A SIMILAR CALL REACHED ME AT AUSTIN TEXAS SEVERAL YEARS AGO BUT I CANNOT STATE POSITIVELY THAT SAME PERSON OR ORGANIZATION INITIATED THE CALL. NOTHING FURTHER WAS HEARD FROM THAT CALL NOR WAS ANYTHING HEARD EITHER BY PHONE OR MAIL FROM CONVERSATION OF WHICH TRANSCRIPT IN YOUR HANDS. FOR YOUR INFORMATION OUR COMPANY HAS APPROXIMATELY 600 EMPLOYEES. WE ARE NOT ORGANIZED, HAVE NOT HAD ANY DISPUTES NOR HAVE ANY AT PRESENT. NEITHER HAVE WE EMPLOYED ANY OUTSIDE PERSONS NOR FIRMS TO ACT IN ANY CAPACITY AS ADVISORS OR SPOKESMEN IN OUR EMPLOYEE RELATIONS PROGRAM. IF ANY FURTHER INFORMATION NEEDED PLEASE ADVISE. RESPECTFULLY=

EARLE CABELL PRESIDENT CABELLS INC=.

## EXHIBIT No. 18

Composition \_\_\_\_\_  
 Presswork \_\_\_\_\_  
 Binding \_\_\_\_\_

EST DATE: 10/21/55

TITLE: PORTRAIT OF A LABOR LEADER

AUTHOR: MAXWELL HADDOCK

PRICE: \_\_\_\_\_ PUB. DATE: \_\_\_\_\_

BOUND BOOK DATE: \_\_\_\_\_

TYPE: \_\_\_\_\_ TYPE PAGE: \_\_\_\_\_ x \_\_\_\_\_ picas WORDS: \_\_\_\_\_ WRAP PAGES: 114 32 pp  
 ILLUS. 48 4-3 00

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PLANT ( )	110.00					
MFG. ( )	48,154.00	.743				
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TOTAL COST	48,264.00					
GROSS PROFIT						

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 O.K. for Composition \_\_\_\_\_  
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 O.K. for Binding \_\_\_\_\_  
 NOTE: Plates & paper for advance run must be at printer by 3 Nov. (You to furnish plates).

Additional for individual cartons, insert, label (furnished) and delivered to P.O. .095 per copy.

If book delivered on skids not cartoned, deduct .01 per copy.

All quoted F.O.B. Binghamton, N. Y.

EXHIBIT No. 19

May 12, 1955

Mr. Maxwell C. Raddock  
Trade Union Courier Publishing Corp.  
1150 Avenue of the Americas  
New York, N.Y.

Dear Mr. Raddock:

We are pleased to submit herewith an estimate for the manufacture of your book, PORTRAIT OF AN AMERICAN LABOR LEADER.

We would welcome the opportunity of working with you on your various production problems.

I am also sending herewith a copy of a book produced by us for one of our clients. It will show the type of papers we plan on using for your book.

Thank you for the opportunity of working with you. We are looking forward to our meeting tomorrow.

Sincerely,

STANLEY THOMPSON ASSOCIATES

Larry Kamp

sjs

Composition \_\_\_\_\_  
 Presswork \_\_\_\_\_  
 Binding \_\_\_\_\_

EST. DATE: May 12, 1955TITLE: PORTRAIT OF AN AMERICAN LABOR LEADER AUTHOR: Raddock, Maxwell C.

PRICE: \_\_\_\_\_ PUB. DATE: \_\_\_\_\_ BOUND BOOK DATE: \_\_\_\_\_

TYPE: \_\_\_\_\_ TYPE PAGE: \_\_\_\_\_ x \_\_\_\_\_ picas WORDS: \_\_\_\_\_ PAGES: 384 & 32BOOK SIZE: 6 x 9" EDGES: Top T Front T Foot T BULK: 1-1/8"PRINT 50,000-20,000 BIND 50,000-20,000 APPROVED

PLANT		MANUFACTURING		50,000	20,000
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COMP. @ _____ per page		TEXT		9420.00	3900.00
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ILLUS. Halftones _____		PRESSWORK			
Line cuts _____		TEXT		3950.00	2935.00
ART _____		ILLUS.		1080.00	495.00
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COMP. CAPTIONS _____		BINDING			
ELECTROS _____		MATERIAL <u>Novelox</u>		x	x
JACKETS		PER COPY <u>50M- .315</u>		15,750.00	7360.00
ART		<u>20M- .318</u>			
PLATES _____ COMP. _____		JACKETS			
STAMPING		PAPER		x	x
DESIGN _____ DIES _____		PRESSWORK		x	x
EXTRAS _____		TOTAL MFG.		31,900.00	15,400.00
TOTAL PLANT					

50,000

20,000

	INVESTMENT	UNIT COST	\$	INVESTMENT	UNIT COST	\$
WHOLESALE PRICE						
PLANT ( )						
MFG. ( )	31,900.00	.638		15,400.00	.77	
*ROYALTY - ADVANCE						
TOTAL COST						
GROSS PROFIT						

O.K. for Composition \_\_\_\_\_

O.K. for Presswork \_\_\_\_\_

O.K. for Binding \_\_\_\_\_

## NOTE:

F.O.B. Binghamton, N.Y., packed in cartons  
 All plates, engravings & dies furnished  
 Design of text: \$100.00

## EXHIBIT No. 20A



STANLEY THOMPSON ASSOCIATES, 141 EAST 25TH STREET, NEW YORK 10, N. Y., MU 5-4784

November 23, 1956

Miss R. Quasha  
Trade Union Courier Publ. Corp.  
115 E. 32nd Street  
New York 16, New York

Dear Miss Quasha:

Attached herewith is a copy of the letter to Mr. Melvin Friedman of Book Production Company authorizing him to release to your carrier the text plates, electrotypes of illustrations, original halftones and type used for the production of your book "Portrait of An American Labor Leader." This material is now at George McKibbin & Son, 5 Putney Road (Rte #5) Brattleboro, Vermont. Your carrier can ask for anyone of the following three men: Mr. Snipley, Mr. Stewart Anderson or Mr. James Wallace.

You will note in the attached letter to Mr. Friedman that since you do not want any special packing, there is a great chance of damage to this material. We in no way, can be held responsible for any damage.

If you have any further questions regarding the arrangements for pickup, please contact Mr. Friedman at George McKibbin & Son in Brooklyn - telephone number is HYacinth 9 - 8000.

You are to turn over to our messenger a certified check in the amount of \$300.00 which will be settlement in full for our invoices now outstanding.

Very truly yours,

  
STANLEY THOMPSON ASSOCIATES

PG:dmh

(signed) \_\_\_\_\_

Trade Union Courier

1

[illegible][illegible]

1. The first step is to identify the problem.
2. The second step is to analyze the problem.
3. The third step is to develop a solution.
4. The fourth step is to implement the solution.

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cc - Miss . usha  
Trade union courier  
145 W. 32nd St., New York, N.Y.

## EXHIBIT No. 20C

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## EXHIBIT No. 21

WE COVER THE GLOBE WITH QUALITY PRINTING OF EVERY DESCRIPTION

**WORLD WIDE PRESS SYNDICATE INC.**763 SAW MILL RIVER ROAD  
YONKERS - NEW YORK  
Tel: YOnkers 9-2343

A COMPLETE BOOK • NEWSPAPER • LETTERPRESS &amp; LITHOGRAPHY PLANT

June 12, 1956

Mr. Stahley Thompson  
Stahley Thompson Associates  
141 East 25th Street  
New York 10, New York

Dear Sir:

As I told you over the telephone today, I am greatly disturbed about a complaint received from the United Brotherhood of Carpenters alleging that the Hutcheson biography was not printed in a 100% union plant. The complainant alleges that the composing room of said plant is non-union -- that only the press room is signed-up with a local of the Pressmens' and Assistants' Union.

When we entered into our agreement for the printing and binding of the Hutcheson book it was clearly specified that the production would have to be handled in a 100% union shop and we willingly agreed to pay the proposed price over and above those submitted by non-union printers.

Evidently, the man who complained to Mr. Hutcheson sought to do us injury and it is important therefore that we obtain from you the necessary proof to confirm the fact that our book was printed under 100% union conditions and that we didn't misrepresent the truth when we imprinted our union bug "5" (World Wide Press) thereon.

Trusting that you will transmit this information to us within a week, I remain

Very truly yours,  
*Maxwell C. Raddock*  
Maxwell C. Raddock  
President,  
WORLD WIDE PRESS SYNDICATE, INC.

MCR:rq

BOOKS • BOOK JACKETS • MAGAZINES • NEWSPAPERS • CATALOGS • HOUSE ORGANS • BROADSIDES  
FOOD AND LIQUOR LABELS • TAGS • DISPLAYS • CARBONIZED SHAPOUT BUSINESS FORMS



## EXHIBIT No. 22

June 13, 1956

Mr. Melvin A. Friedman  
The Book Production Co., Inc.  
67 - 34th Street  
Brooklyn 32, N.Y.

Dear Mel:

I am attaching herewith a copy of the letter from our friend Maxwell E. Raddock. Will you please give me the information he requires that I might answer this.

As for the second paragraph, no suggestion was made by Mr. Raddock wondering why we did not place the work at a prominent far England non-union plant.

Thanks so much for your cooperation.

Cordially yours,

STANLEY THOMPSON, 133 E. 113

HST:dmh

## EXHIBIT No. 23

June 27, 1956

Miss R. Quasha  
Trade Union Courier Publ. Corp.  
145 E. 32nd Street  
New York 16, New York

Dear Miss Quasha:

After thinking this over, I think it is probably poor taste for two parties to have the same attitude. Most certainly, we have never, in the history of our business, run into alterations such as we have been confronted by in our relationship with your organization. I am sending this letter by messenger and trust by doing so you will live up to your commitment on the telephone this morning and send us by return mail a check in the amount of \$339.75 which will clear our records.

Very truly yours,

STANLEY THOMPSON, President

TST:dmh

EXHIBIT No. 26 A

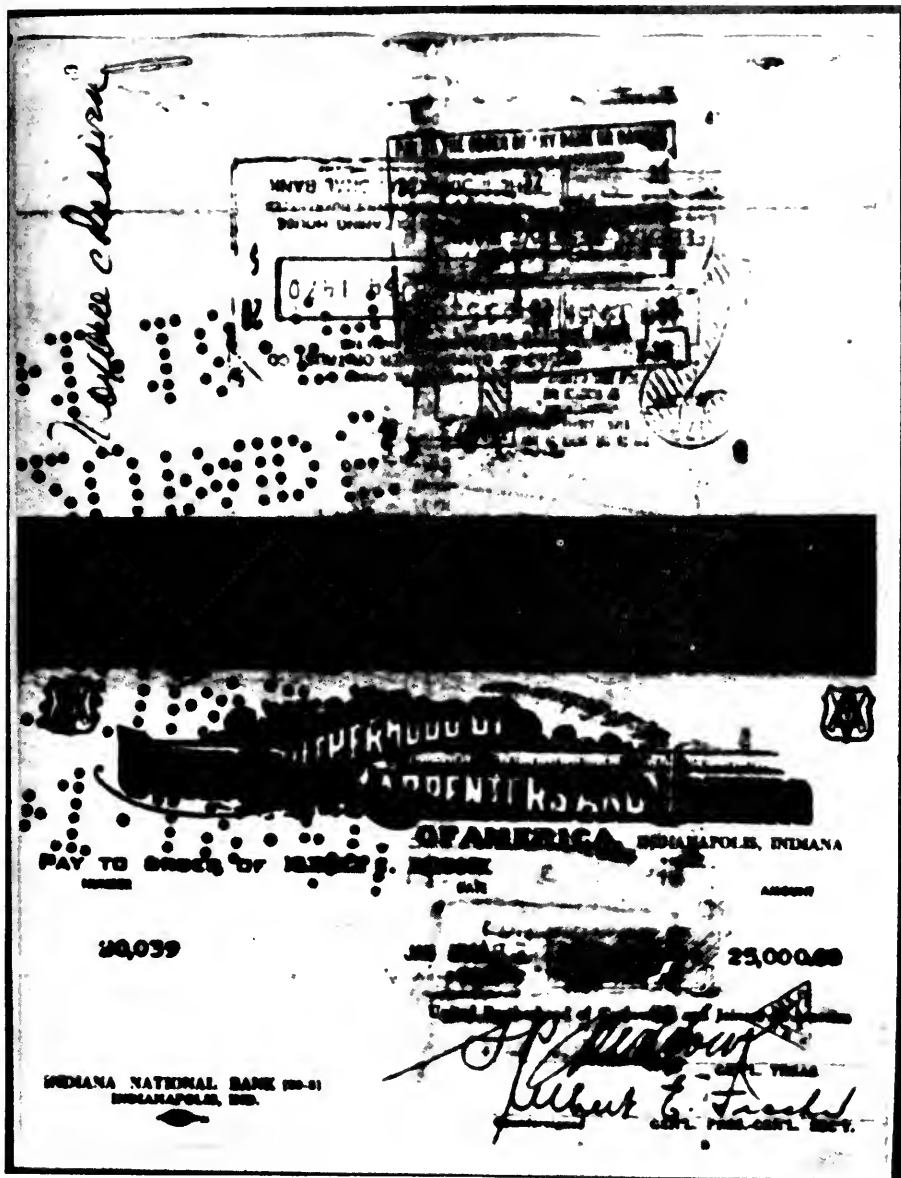


EXHIBIT No. 26B

January 8, 1954

Mr. M. A. Mutcheson  
General President  
United Brotherhood of Carpenters &  
Joiners of America  
222 E. Michigan Street  
Indianapolis, Indiana

Dear Sir:

This is to acknowledge receipt of a check made payable to the undersigned, in the amount of \$25,000.00, from the United Brotherhood of Carpenters and Joiners of America, in accordance with my letter to you of December 8, 1953.

An agreement embracing all details of the projected William L. Mutcheson biography will be drafted within the week. Same will be presented to you on my next visit to Brotherhood's Headquarters.

The biography is to be published by Raddeck and Brothers, Ltd., or Saw Mill River Press, and will be completed prior to the Brotherhood's Convention in November, 1954.

Very truly yours,



Maxwell C. Raddeck

MCR:LM

EXHIBIT No. 28

Maxwell C. Radstock

5/18/52

~~\$~~ 25,000 00Room 1529  
Leak & Change Oil~~\$~~ 50,000 00 Book confirm orderMaxwell C. Radstock.  
Telephone conversation with Stanley Johnson  
9.30 am per Max H.

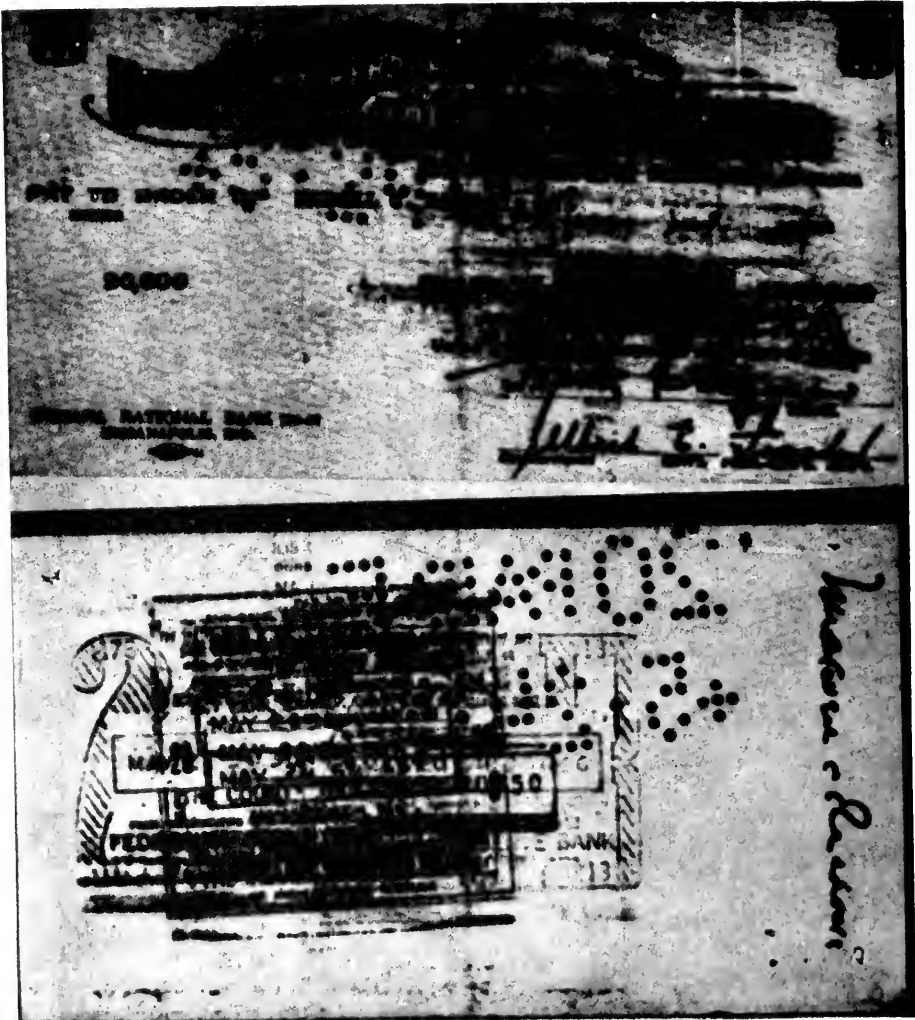


EXHIBIT No. 31

Office of the President

**RADDOCK & BROS., LTD.**  
**BOOK PUBLISHERS**PLANT:  
763 Saw Mill River Road  
Yonkers, New York  
Tel: YOnkers 9-2343

1150 Avenue of the Americas · New York 36, New York · MURRAY Hill 2-1260

**PERFORMANCE AGREEMENT**

This 14th day of February, 1955, undersigned in performance of authorship and publication of **PORTRAIT OF A LABOR LEADER: William Levi Hutcheson**, agrees to deliver to Carpenters Brotherhood 6,000 copies of above in return for \$25,000 paid to him per original agreement. Acknowledgement is also made of receipt of \$25,000 for research work per original understanding.

Herein is also acknowledged receipt of \$100,000.00 paid in advance to Raddock & Bros Ltd by the U.B. in part payment of order for 50,000 copies of said book at \$4.00 per copy inclusive of mailing and handling. Upon publication and shipment notices by the author and publisher, U.B. shall pay to Raddock & Bros balance of \$100,000.00. It being agreed that contract will be performed by March 31, 1955.

In the event of the death of Maxwell C. Raddock, the terms herein enumerated shall be faithfully executed by Charles Raddock, Vice-President of Raddock & Bros. and associate of the author.

Maxwell C. Raddock, Pres.  
Raddock & Bros.

Attested by:

Charles Raddock, Vice-President





# UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA



PAY TO ORDER OF **RADDUCK**

NUMBER

AMOUNT

20,180

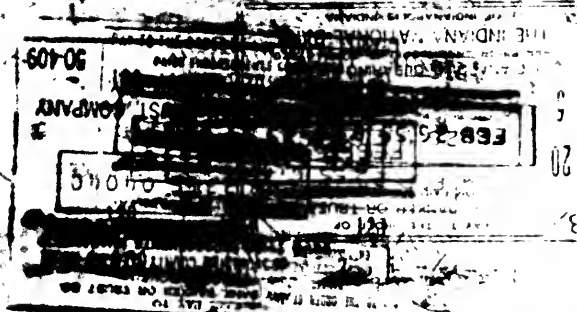
In advance on  
50,000 books

INDIANA NATIONAL BANK (20-5)  
INDIANAPOLIS, IND.

United Brotherhood of Carpenters and Joiners of America

*Frank Chapman*  
GEN'L. TREAS.  
*Robert B. Smith*  
GEN'L. PRES. GEN'L. SEC'Y.

*Radduck & Brothers  
Radduck & Bros. L.P.*



*Radduck & Bros.*

*550,000*

PAID JAN 31 1955

*Mass  
Research & Printing of  
Historical Notes  
of the Brotherhood*

PAID JAN 31 1955



EXHIBIT No. 32B

64

712

**UNITED BROTHERHOOD OF CARPENTERS AND JOINERS**

INDIANA NATIONAL BANK (20-2) INDIANAPOLIS, IND.

PAY TO ORDER OF **RADLOCK & BROTHERS**

NUMBER **20200**

AMOUNT **\$50,000.00**

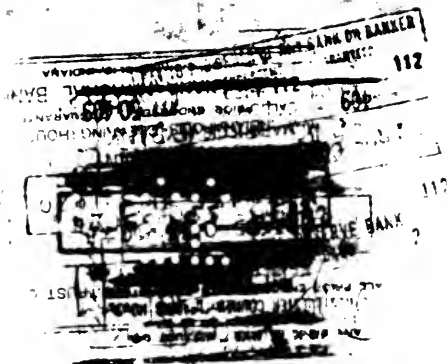
In advance on **50,000 books**

INDIANA NATIONAL BANK (20-2) INDIANAPOLIS, IND.

*Frank Chapman*  
TREAS.

*Walter E. Smith*  
CH. PRES. GEN'L. SECY.

*Radlock & Brothers  
Rainbow Bros. LTD.*



*Radlock & Brothers*

*Feb 14 - 1935*

*\$50,000.00*

*Mike*

*PAID FEB 14 1935*

*END FEB 23 1935*

*Miss Research & Printing  
Historical Data of the  
Brotherhood*

EXHIBIT No. 32C

**INDIAN NATIONAL BANK**  
**INDIANAPOLIS, INDIANA**

**PAY TO ORDER OF** **BARDOCK & BROS**

NUMB. 2 **20,532** AMOUNT **50,000.00**

MAR 31 1955

*Bank of America*  
*Frank Chapman*  
*John R. [unclear]*  
 Counter signed GEN'L. PRES. GEN'L. SEC'Y.

INDIANA NATIONAL BANK 20-51  
 INDIANAPOLIS, IND.

*Bardock & Bros*  
*Mar 31 1955*

INDIANAPOLIS, INDIANA

PAID 15.65

*Bardock & Bros* 3-31-55

\$ *50,000.00*

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*HTG*

*Misc Research & Printing of Historical Data of Brotherhood*

PAID MAR 31 1955

EXHIBIT No. 32D



OF AMERICA - INDIANAPOLIS, INDIANA

No. A 1 Date November 29, 1934  
**PAY TO THE ORDER OF**  
 RADDOCK AND BROTHERS LTD.  
 \$ 50,000.00

FIFTY THOUSAND DOLLARS

Payable in full

INDIAN NATIONAL BANK (INC)  
 INDIANAPOLIS, IND.

*Frank Chapman*  
*Albert C. [unclear]*

*Raddock & Brothers LTD.*

*on acct 65,000 bond  
 from Wood Wide Press*





# United Brotherhood of Carpenters and Joiners OF AMERICA

November 29, 1955 19

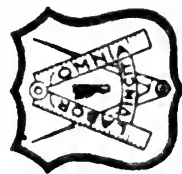
Received of GENERAL TREASURER, the sum of

FIFTY THOUSAND ----- 00 100 DOLLARS,

FOR Payment in full on book

\$ 50,000.00

Ladd & Bros.  
Harmon & Co.



# United Brotherhood of Carpenters and Joiners OF AMERICA

November 29, 1955 19

Received of GENERAL TREASURER, the sum of



FIFTY THOUSAND ----- 00 100 DOLLARS,

FOR On account

\$ 50,000.00

Ladd & Bros.  
Harmon & Co.

EXHIBIT No. 33

# WORLD WIDE PRESS SYNDICATE

## OF INDIANA, INDIANAPOLIS, INDIANA

**PAY TO ORDER OF**

**NUMBER**

**20,341**

**AMOUNT**

**50,000.00**

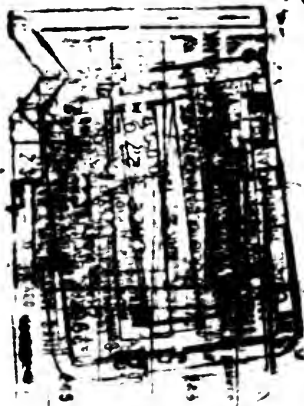
**INDIANA NATIONAL BANK**

**INDIANAPOLIS, IND.**

*For deposit only*

*World Wide Press Syndicate*

*Inc*



. February 24, 1936

Mr. M. C. Raddock,  
World Wide Press Syndicate,  
1150 Sixth Avenue,  
New York 36, N. Y.

Dear Mr. Raddock:

Enclosed is our check in the amount of \$50,000  
for the additional purchase of copies of the book  
"Portrait of an American Labor Leader: William L. Hatcheson."

Very truly yours,

MAH-JP

GENERAL PRESIDENT

## EXHIBIT No. 33B

20,341

February 24, 1956  
Date

Check payable to World Wide Press Syndicate

Amount

Feb 24 1956

50,000.00

Charge General Fund

For Purchase of books Portrait of an Am. Labor Leader  
Wm. L. Hutcheson

OK'd by

Purchase of Books  
Sum account for above

**ADVANCE NEWS  
OF BOOKS**

from

**AMERICAN INSTITUTE of  
SOCIAL SCIENCE, Inc.**

763 SAW MILL RIVER ROAD • YONKERS, N. Y.

YOnkers 2-7712

December 28, 1956

**RECEIVED**

DEC 31 1956

PRESIDENT'S OFFICE

Mr. Maurice A. Hutcheson; General President  
United Brotherhood of Carpenters and Joiners of America  
222 East Michigan Street  
Indianapolis 4, Indiana

Dear Sir:-

Per instructions from Mr. Maxwell C. Raddock we have shipped exactly 2,000 books per the list furnished by the late Mr. Albert E. Fischer, General Secretary of the United Brotherhood.

A bill for these copies is herein enclosed.

Mr. Raddock did advise us that you and he had discussed a reduced rate as soon as you authorize a very substantial order. Naturally we can't apply the same reduction to the above mentioned shipment since these were printed at a considerably higher cost to us. As a matter of fact it depletes our present inventory of Mr. Raddock's book, except for about 1,000 or so copies.

In view of the fact that we will shortly have to order another reprint of Portrait of an American Labor Leader, we would appreciate it greatly if you would reach a decision at the earliest possible date concerning your own plans anent wider circulation of the book to your membership and to incoming apprentices as per your discussion with the author.

Wishing you and your colleagues a Happy New Year, we remain,

Respectfully yours,

*Rhoda Quasha*

Rhoda Quasha, Secretary  
American Institute of  
Social Science, Inc.

MCR:RQ  
AFOE



# AMERICAN INSTITUTE OF SOCIAL SCIENCE, Inc.

763 SAW MILL RIVER ROAD

YONKERS, N. Y.

No. 210

Date Dec. 20, 1926

Sold to:

Shipped to

United Brotherhood of Carpenters

and Joiners of America

222 East Michigan Street

Indianapolis 4, Indiana

Order: Liberty

Robert J. Flis, Jr., Secy.

Chicago, Ill.

Dec. 20, 1926

2,000 copies; "Portrait of an American Nation"

Houghton, by Maxwell C. Rapp

list supplied by Mr. Albert G. ...

1926 Two copies

EXHIBIT No. 35A

File

American Institute of Social Science.

January 9, 1957

Mr. Maxwell Raddock  
145 East 32 Street  
New York, New York

Dear Sir:

This will acknowledge your communication of December 28 together with statement for two thousand books, PORTRAIT OF AN AMERICAN LABOR LEADER, which have been shipped as per list furnished by the late General Secretary, Albert E. Fischer.

Enclosed is our check in the amount of \$10,000.00 covering same.

Very truly yours,

GENERAL PRESIDENT

MAH-JP-1  
Encl - ck

Cross reference  
Raddock

EXHIBIT No. 35B

**UNITED STATES OF AMERICA**  
**DEPARTMENT OF AGRICULTURE**  
**INDIANAPOLIS, INDIANA**

**PAY TO ORDER OF AMERICAN INSTITUTE OF SOCIAL SCIENCE, INC.**

NUMBER **89,643**

DATE **APR 2 1937**

AMOUNT **10,000.00**

**THE NATIONAL BANK OF AMERICA**  
**INDIANAPOLIS, IND.**

*Handwritten signature: [Signature]*

*Handwritten text: [Illegible]*

**20 PAY TO THE ORDER OF 20**  
**Chemical Corn Exchange Bank**  
**American Institute of Social Science, Inc.**



EXHIBIT No. 35C

100-1356 January 9, 1957

Date

20043

American Institute of Social Science, Inc.

Check payable to

Amount

\$ 10,000. 00

General Fund

Charge

For 2000 copies Portrait of an Am. Labor Leader

OK'd by

MAB

DATE	ITEMS	AMOUNT
	TOTAL	
	DIB ETC.	
	NET	


TOTAL \$ 10.57 No. 21881  
Science, Inc. \$ 375.00

**\$ 10.57 CTS DOLLARS**

THIS CHECK IS IN SETTLEMENT OF THE FOLLOWING ACCOUNT:

UNION NATIONAL BANK  
IN NEWARK, N.J.  
*Joseph Madden*  
REC'D - TREAS.

20 PAY TO THE ORDER OF 20  
Chemical Corn Exchange Bank  
American Institute of Social Science, Inc.



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EXHIBIT No. 38

August 7, 1957

Mr. John B. Stradford  
25 West 12th Street  
New York, New York

Sir:

This will confirm our order for the binding  
of 100 copies of "Portrait of an American Labor  
Leader."

We will supply folded signatures, you to do  
the collating, Smythe sewing, casing, and placing  
labels on completed books at the agreed price of 37¢  
each.

Very truly yours,

WORLD WIDE PRESS SYNDICATE, INC.

*Joseph Kahn*  
Joseph Kahn

5/15

BOOK JACKETS • MAGAZINES • NEWSPAPERS • PAMPHLETS •  
BUREAU • BUREAU • BUREAU • BUREAU • BUREAU • BUREAU •

EXHIBIT NO. 38A

October 8, 1957

American Book - Stradford  
29 Varick Street  
New York, New York

Gentlemen:

This will confirm our order for you to supply  
book paper, printing of the text and complete binding  
of 30,000 copies of the "Portrait of an American Labor  
Leader."

We will supply the coated inserts and jackets.

Please expedite this order. Thank you.

Very truly yours,

WORLD WIDE PRESS SYNDICATE, INC.

  
Joseph Kuhn

EXHIBIT No. 38B

COMPLETE BOOK MANUFACTURERS • ESTABLISHED 1897

**American Book - Stratford Press, Inc.**

75 VARICK STREET • NEW YORK 13 • WALKER 5-7600

**January 21, 1958**

**World Wide Press Syndicate, Inc.**  
745 New Hill Tower Road  
Yonkers, N.Y.

**Attn: Mr. Joseph Egan**

**Dear Mr. Egan:**

This is to acknowledge receipt of your orders for the binding of 10,000 copies, and also the printing and binding of 30,000 copies of your book "TOMBATE OF AN AMERICAN LABOR LEADER".

We note, however, that the 10,000 order is dated August 7, 1957 and the 30,000 order is dated October 8, 1957. As you know, these orders were received by us on January 21, 1958 and I presume that these dates were overlooked by you when you signed the orders.

Very truly yours,  
**AMERICAN BOOK-STRATFORD PRESS, INC.**

By

**Joseph F. McLaughlin**

**WFM/gp**



EXHIBIT No. 39

March 1, 1956

Mr. Albert E. Fischer, General Secretary  
United Brotherhood of Carpenters & Joiners  
222 East Michigan Street  
Indianapolis, Indiana

Dear Mr. Fischer:

We acknowledge herewith your order for and payment covering additional copies of kromekote edition "Portrait of an American Labor Leader-William L. Hutcheson" at \$3.50 per copy.

Per agreement with the author on behalf of Raddock & Bros., and World Wide Press Syndicate, we will henceforth bill you direct for all bulk orders in excess of 10,000 copies. Cloth bound editions in the same quantities will be charged out to you at \$4.00 per copy. Smaller orders, we were advised by the author, must be handled directly through American Institute of Social Science.

The \$50,000 payment acknowledged here covering approximately 14,500 copies will be put into production within ninety days and will be kept in regular inventory for you to draw upon as you require it. There will of course be no storage charges added by us and shipment orders will be filled as heretofore.

Thanking you, we remain,

Very truly yours,

*Julie Taub*

Julie Taub, Manager  
WORLD WIDE PRESS SYNDICATE, Inc.

JIT:BK

## EXHIBIT No. 40



C. I. T. S. S. S.

## EXHIBIT No. 40A

December 11, 1936

Mr. Maxwell C. Raddock, Editor  
Trade Union Courier  
100 West 41st Street  
New York 18, New York

Dear Mr. Raddock:

In reply to your letter of November 10th, I am sure the committee of the General Executive Board will be pleased to learn the entire list of the complete index the end of this month and be in your hands without fail.

I have noticed with great interest your other comments and it is not a question of chastising or giving the approval, but just a matter of consideration on behalf of the union, we to obtain the information on which they are rightfully entitled, in order to make a complete report to the General Executive Board.

Concerning the particular portion of your letter that contain material must remain with you indefinitely, after conferring with General President W. A. Harrison and as I have indicated to the General President, I am not concerned in respect to that particular material you have gathered over the period of your research.

The material I furnished you from this office is my great and warmest concern, which you know as in reference to our United Brotherhood Convention Proceedings, various issues of THE CAUTIONER, American Federation of Labor Proceedings, etc. I am sure you can remove this material without further requirements for research insofar as any other project may be concerned.

May I take the opportunity at this time to extend to you, as well as to Mrs. Raddock, the Bureau's warmest and best wishes for good health and happiness.

Sincerely yours,

ALBERT E. FISCHER  
GENERAL SECRETARY

AE7.21



## EXHIBIT No. 41B



LONG DISTANCE TELEPHONE NATIONAL 375-1-2-3-4  
CABLE ADDRESS, AFL.

## AMERICAN FEDERATION OF LABOR

## Executive Council

President, Walter G. Reuther

Secretary, William Green

A. F. of L. Building, Washington, D. C.

First Vice President, Walter L. Reuther  
Second Vice President, T. A. Reuther  
Third Vice President, E. J. Connelley  
Fourth Vice President, J. P. Morgan  
Fifth Vice President, J. P. Morgan  
Sixth Vice President, J. P. Morgan  
Seventh Vice President, J. P. Morgan  
Eighth Vice President, J. P. Morgan  
Ninth Vice President, J. P. Morgan  
Tenth Vice President, J. P. Morgan

Eleventh Vice President, J. P. Morgan  
Twelfth Vice President, J. P. Morgan  
Thirteenth Vice President, J. P. Morgan  
Fourteenth Vice President, J. P. Morgan  
Fifteenth Vice President, J. P. Morgan  
Sixteenth Vice President, J. P. Morgan  
Seventeenth Vice President, J. P. Morgan  
Eighteenth Vice President, J. P. Morgan  
Nineteenth Vice President, J. P. Morgan  
Twentieth Vice President, J. P. Morgan

Washington, D. C.

December 20, 1940.

Mr. Maxwell C. Raddock, Editor,  
Trade Union Courier,  
55 West 42nd Street,  
New York City.

Dear Mr. Raddock:

I wish to extend to you and to the staff of the Trade Union Courier the cordial greetings and best wishes of the American Federation of Labor on the occasion of the 5th anniversary of this labor publication.

The Trade Union Courier has upheld the traditions of the labor press and has remained steadfastly loyal to the American Federation of Labor throughout its career. It has shown a militant spirit in fighting the battles of organized labor. It has shown a loyal spirit in defending the principles of organized labor. Therefore it has been of great service to the members of American Federation of Labor unions in the communities in which the Trade Union Courier circulates.

It gives me great pleasure to congratulate you on your fine record and to wish you additional success in the future.

Fraternally yours,

President,  
American Federation of Labor.



EXHIBIT No. 44A

# WESTERN UNION

W. P. MARR - HALL - NEW YORK

## CLASS OF SERVICE

This is a full-rate  
Teleg. or Cable  
gram, unless it is  
marked otherwise by  
discrete letters or  
symbols in the address  
and in the message.

## SYMBOLS

1 = Day Letter  
N = Night Letter  
T = Teletype Telegram  
L = Teletype Letter

ANALYST OF THE OFFICE OF THE DIRECTOR

SYAO 41

SYAO 645 PD=NEW YORK NY 1 946AM=

=CORNELL UNIVERSITY PRESS, ATTN DR DOCTORAL CHAIRMAN=  
=NEW YORK STATE SCHOOL OF INDUSTRIAL AND LABOR  
RELATION CORNELL UNIVERSITY ITHACA NY=

=SHOULD BE GRATEFUL FOR OPPORTUNITY OF READY GALLEYS  
OF ROBERT CHRISTIE DOCTORAL OF THE UNITED BROTHER HOOD  
IN CONNECTION WITH OUR OWN HISTORY OF LABOR COVERING 75  
YEARS STOP DUE RECOGNITION WILL BE GIVEN ALL CONCERNED  
DRS KONVITZ AND LISTON POPE KNOW BE KINDLY REPLY COLLECT.

A GRAEBER DIRECTOR OF RESEA TRADE UNION CARRIER  
1150 AVENUE OF THE AMERICAS=

THIS MESSAGE WILL BE REPEATED

22 00 PM EST 1946

12179

Office of the Editor

**TRADE UNION COURIER***'America's Leading Labor Newspaper'*

1180 AVENUE OF THE AMERICAS, NEW YORK 36, NEW YORK

MURRAY HILL 2-1260

Cable: TRACOURIER

October 1, 1954

Mr. Leonard Adams  
Director of Research & Publication  
New York State School of Industrial  
and Labor Relations  
Cornell University  
Ithaca, New York

Dear Mr. Adams:

Your kind telegram received for which we are indeed grateful. Please be good enough to send us manuscript of your excellent correspondence. Rest assured it will be returned promptly after reading.

Our thanks to you and with kindest regards to Mr. Konvitz, I am,

Sincerely,

L. I. Gerner  
Director of Research

Yours

*[Handwritten notes and signatures at the bottom of the page, including "L. I. Gerner" and "J. P. ..."]*



EXHIBIT No. 44C



# TRADE UNION COURIER

'America's Leading Labor Newspaper'

1130 AVENUE OF THE AMERICAS, NEW YORK 36, NEW YORK

MURRAY HILL 2-1260

Cable: TRACOURIER

November 1, 1954

Mr. Leonard P. Adams  
 Director of Research and Publication  
 New York State School of Industrial  
 and Labor Relations  
 Cornell University  
 Ithaca, New York

Dear Mr. Adams:

Through an oversight we failed to request renewed loan on October 27 of the Christie manuscript for an additional three weeks. If an extension will be convenient you, please advise.

Thanks for your kindness.

Respectfully yours,

*Dr. I. Graeber*

Dr. I. Graeber  
 Director of Research

IG:rq

*Handwritten signature of Dr. I. Graeber*

*Handwritten note: "I have been sent the Christie manuscript and it is being read by the staff."*

EXHIBIT No. 44D

November 3, 1954

Dr. L. Graeber  
Director of Research  
Trade Union Center  
1150 Avenue of the Americas  
New York 36, N. Y.

Dear Dr. Graeber:

In answer to your letter of November 1st regarding renewal of the loan of the Christie manuscript for an additional three weeks, we have checked with our library and find that they must have it back as soon as possible, as others wish to borrow it. We regret that it is impossible to prevent an extension on.

Sincerely yours,

Leonard P. Adams, Director  
Research and Publications

LPA:rk

EXHIBIT No. 44E

**TRADE UNION COURIER***'America's Leading Labor Newspaper'*

1150 AVENUE OF THE AMERICAS, NEW YORK 36, NEW YORK

MURRAY HILL 2-1260

Cable: TRACOURIER

Office of the Editor

*file*

November 9, 1954

Mr. Leonard P. Adams  
Director of Research and Publication  
New York State School of Industrial  
and Labor Relations  
Cornell University  
Ithaca, New York

Dear Mr. Adams:

Complying with yours of the 3rd inst., we are herein returning the Christie manuscript. Should it become available again at any time in the near future, would you be kind enough to advise us.

Many thanks for your kindness.

Sincerely,

*I. Graeber*Dr. I. Graeber  
Director of Research

IG:rq

No. 1033  
NEW YORK  
Oct 1 1935  
THE NATIONAL CITY BANK OF NEW YORK  
210  
FIFTH AVENUE AT TWENTY-EIGHTH STREET  
NEW YORK, N. Y.  
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Five thousand and no/100  
Charles Johnson

CHARLES JOHNSON, JR.  
111 E. 22ND ST.  
NEW YORK 10, N. Y.

THE NATIONAL CITY BANK  
NEW YORK  
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THE NATIONAL CITY BANK  
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NEW YORK

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No. 1034

NEW YORK

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Charles Johnson

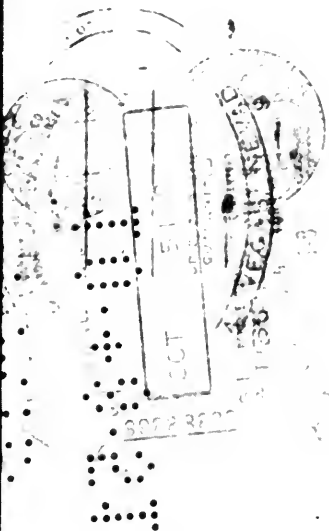
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 NEW YORK 10, N. Y.

*Rep. Johnson*

OCT 10 1935  
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State - Sibley Corporation  
\$5,000.00

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DOLLARS

*L. Stullman Teller*

S. C. C. Liberty to Justice  
to Justice to God  
Justice to God, T. M. L.

PAY TO THE ORDER OF  
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SEP 27 1968

UNITED NATIONAL BANK  
CHICAGO, ILLINOIS

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EXHIBIT No. 54A

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GARY, INDIANA.

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ORDER OF

A. MARTIN KATZ, AGENT

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*Metro M. Holovachka*

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OCT 31 1957

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